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Washington, Friday, November 4, 1938

The President

EXECUTIVE ORDER

CORRECTING AND AMENDING DESCRIPTION OF BOUNDARIES OF MOLOKAI LIGHTHOUSE RESERVATION

TERRITORY OF HAWAII

WHEREAS by Executive Order No. 962 of October 27, 1908, certain lands situated within the Kalaupapa Leprosarium, Makanalua, District of Koolna, Island of Molokai, Territory of Hawaii, were withdrawn and set aside for lighthouse purposes, and such lands comprise the Molokai Lighthouse Reservation; and

WHEREAS a recent survey has developed discrepancies in the description of the boundaries of the said Lighthouse Reservation as contained in the said Executive Order of October 27, 1908; and

WHEREAS an additional strip of land for lighthouse purposes is required along the present south boundary of the Lighthouse Reservation; and

WHEREAS a portion of the lighthouse plot at the northwest corner of the reservation is needed by the Territory of Hawaii for landing field purposes; and

WHEREAS a right of way in the nature of an easement for all duly accredited agents of the United States Lighthouse Service to pass over certain Territory of Hawaii land is required:

NOW, THEREFORE, by virtue of and pursuant to the authority vested in me by section 91 of the act of April 30, 1900, 31 Stat. 141, 159, as amended by section 7 of the act of May 27, 1910, 36 Stat. 443, 447, it is ordered that the description of the Molokai Lighthouse Reservation be, and it is hereby, corrected and amended to read as follows:

Beginning at a concrete monument at the northeast corner of this parcel of land, the coordinates of said point of beginning referred to Government Survey Triangulation Station "Kalawao" being 985.33 feet north and 158.56 feet west, as shown on Government Survey Registered Map 1728, and running by azimuths measured clockwise from true south:

1. 342°01′ 1301.00 feet to an iron pipe, passing over a concrete monument at 1201.00 feet; thence
2. 106°04′ 1226.50 feet to an iron pipe; thence
3. 164°32′ 540.00 feet to an iron pipe at the south edge of a roadway, passing over a concrete monument at 100.00 feet; thence
4. 225°00′ 220.00 feet along south side of a roadway to an iron pipe; thence
5. 236°08′ 218.25 feet along same to a spike in the ground at fence corner; thence
6. 260°15′ 592.70 feet along fence to the point of beginning;

AREA, 22.88 acres more or less.

Together with the right by way of an easement for all duly accredited agents of the United States Lighthouse Service to pass over (with or without vehicles) the roadway running along Courses 4 and 5 of the above description of survey and the continuation thereof in a general southwesterly direction to the Kalaupapa Landing and also over the roadway running from the end of the said Course 5 to the east boundary of the herein-described piece or parcel of land, which latter-named roadway is more particularly shown on map attached hereto and made a part hereof.[1] These easements for rights of way shall also apply to any relocation of the roadways referred to above.

SUBJECT, however, to the right of any duly accredited agent of the Territory of Hawaii to enter, at any reasonable time, the premises of the Light Station above described and to cross the said premises to occupy and use the Government Survey Triangulation Station "Kalawao", located therein as shown on the aforesaid map hereto attached and made a part hereof.

FRANKLIN D ROOSEVELT

THE WHITE HOUSE,
Nov 1, 1938.

[No. 8000]

[F. R. Doc. 38-3305; Filed, November 2, 1938; 2:43 p. m.]

[1] See page 2616.

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TITLE 6—AGRICULTURAL CREDIT

COMMODITY CREDIT CORPORATION

[1938 C. C. C. Corn Form 1—Instructions]

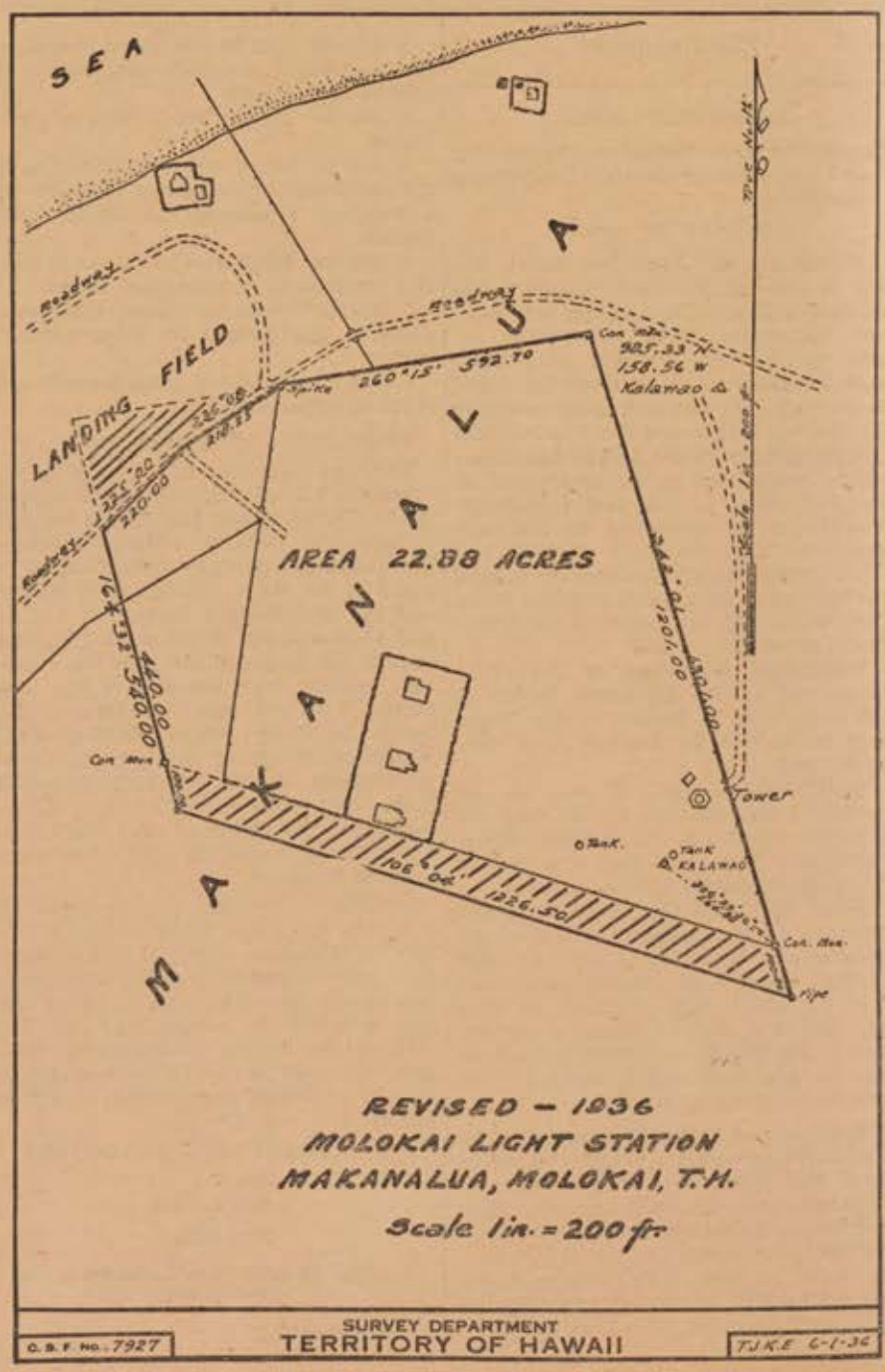
INSTRUCTIONS CONCERNING THE MAKING OF CORN LOANS BY COMMODITY CREDIT CORPORATION ON 1937 CORN

Commodity Credit Corporation has authorized the making of loans secured by corn produced in 1937, either husked and in the ear, or shelled, stored on farms in cribs or granaries. These instructions state the requirements of Commodity Credit Corporation with reference to making such loans on corn and the purchase of notes secured by corn.

1. *Definitions.*—For the purpose of these instructions and the notes and mortgages relating thereto, unless the context clearly requires otherwise, the following terms shall be construed, respectively, to mean:

(a) *Eligible producer*—

(a–1) For the areas named in Section 2 hereof an eligible producer shall be any person, partnership, association, or corporation producing or acquiring corn as landowner, landlord, or tenant who has received or will receive a payment in



connection with his participation in the 1937 Agricultural Conservation Program, and upon whose farm in 1938 the field corn acreage does not exceed 102 percent of the corn acreage allotment for such farm under the 1938 Agricultural Conservation Program.

(a–2) For the areas named in Section 2 (a) hereof an eligible producer shall be any person, partnership, association, or corporation who obtained a loan on corn under the 1937–38 corn loan program on corn produced or acquired as landowner, landlord, or tenant and who has received or will receive a payment in connection with his participation in the 1937 Agricultural Conservation Program and upon whose farm in 1938 the acreage planted to soil-depleting crops does not exceed 102 percent of the farm acreage allotment for soil-depleting crops under the 1938 Agricultural Conservation Program.

(b) *Eligible corn.*—Merchantable field corn produced in 1937, either husked and in the ear or shelled, which grades No. 3 or better as defined in the Official Grain Standards of the United States, effective October 1, 1937, and containing not more than 13 percent moisture * when stored as shelled corn and 15½ percent moisture * when stored in the ear, on the basis of a sample taken from each crib or granary of corn offered to be sealed (each sample to be representative of the entire quantity of corn in the crib or granary from which the same is obtained), which was produced by an "eligible producer" on a farm in the areas hereinafter named, *provided*—

(1) the beneficial title to such corn is and always has been in the eligible producer; or

(2) such corn was purchased by one eligible producer from another eligible producer for feeding purposes only who has executed the Certificate of the Seller in Section 13 of 1938 C. C. C. Corn Form A.

(3) that the corn located in the area listed in Section 2 (a) hereof is pledged as security to a note on 1937–38 C. C. C. Corn Form A.

(c) *Eligible storage structures.*—Cribs, granaries, or bins which are of such substantial and permanent construction as to afford safe storage of corn for a period of 2 years and permit effective fumigation (in the case of shelled corn) for the destruction of insects, and afford protection against rodents, other animals, thieves, and weather, as determined by the County Agricultural Conservation Committees.

(d) *Lending agency.*—Any bank, cooperative marketing association, or other corporation, partnership, or person making loans in accordance with these instructions upon 1938 C. C. C. Corn Form A, which has executed the Contract to Purchase on 1938 C. C. C. Corn Form D (a Loan Agency of the Reconstruction Finance Corporation is not included within this definition).

(e) *Eligible paper.*—Eligible paper shall consist of notes of producers with mortgages upon 1938 C. C. C. Corn Form A, or any form hereafter approved by Commodity Credit Corporation, secured by corn in existence and undamaged from the perils of fire, lightning, cyclone, tornado, windstorm and flood, dated subsequent to September 1, 1938, and prior to November 1, 1938, and executed in accordance with these instructions with State Documentary Revenue Stamps affixed thereto where required by law. (Notes executed by an administrator, executor, or trustee will be acceptable only where valid in law, and all such notes must be submitted for direct loan in accordance with Section 14 hereof.)

2. *Corn loan area.*—Loans will be made pursuant to these instructions to eligible producers, as defined in Subsection (a–1) of Section 1 hereof in the following States and counties:

Illinois.—All counties.

Indiana.—Adams, Allen, Bartholomew, Benton, Blackford, Boone, Carroll, Cass, Clay, Clinton, Daviess, Dearborn, Decatur, De Kalb, Delaware, Dubois, Elkhart, Fayette, Fountain, Franklin, Fulton, Gibson, Grant, Greene, Hamilton, Hancock, Hendricks, Henry, Howard, Huntington, Jackson, Jasper, Jay, Jennings, Johnson, Knox, Kosciusko, Lagrange, Lake, La Porte, Madison, Marion, Marshall, Miami, Montgomery, Morgan, Newton, Noble, Owen, Parke, Pike, Porter, Posey, Pulaski, Putnam, Randolph, Ripley, Rush, St. Joseph, Shelby, Starke, Steuben, Sullivan, Tippecanoe, Tipton, Union, Vanderburg, Vermillion, Vigo, Wabash, Warren, Warrick, Washington, Wayne, Wells, White, and Whitley.

Iowa.—All counties.

Kansas.—Anderson, Atchison, Brown, Coffee, Crawford, Doniphan, Douglas, Franklin, Jackson, Jefferson, Jewell, Johnson, Leavenworth, Linn, Lyon, Marshall, Miami, Nemaha, Norton, Osage, Phillips, Pottawatomie, Republic, Riley, Shawnee, Smith, and Washington.

Kentucky.—Fulton, Henderson, Hickman, and Union.

Michigan.—Branch, Hillsdale, Lenawee, Monroe, and St. Joseph.

Minnesota.—Big Stone, Blue Earth, Brown, Carver, Chippewa, Cottonwood, Dakota, Dodge, Faribault, Fillmore, Freeborn, Goodhue, Grant, Houston, Jackson, Kandiyohi, Lac Qui Parle, Le Sueur, Lincoln, Lyon, McLeod, Martin, Meeker, Mower, Murray, Nicollet, Nobles, Olmsted, Pipestone, Redwood, Renville, Rice, Rock, Scott, Sibley, Steele, Stevens, Swift, Traverse, Wabasha, Waseca, Watonwan, Winona, Wright, and Yellow Medicine.

Missouri.—Adair, Andrew, Atchison, Audrain, Barton, Bates, Benton, Boone, Buchanan, Caldwell, Callaway, Cape Girardeau, Carroll, Cass, Chariton, Clark, Clay, Clinton, Cooper, Daviess, DeKalb, Gentry, Grundy, Harrison, Henry, Holt, Howard, Jackson, Johnson, Knox, Lafayette, Lewis, Lincoln, Linn, Livingston, Macon, Marion, Mercer, Mississippi, Moniteau, Monroe, Montgomery, New Madrid, Nodaway, Pemiscot, Perry, Pettis, Pike, Platte, Putnam, Ralls, Randolph, Ray, St. Charles, St. Clair, Saline, Schuyler, Scotland, Scott, Shelby, Stoddard, Vernon, and Worth.

Nebraska.—All counties except Arthur, Banner, Blaine, Box Butte, Brown, Chase, Cherry, Cheyenne, Dawes, Deuel, Garden, Garfield, Grant, Holt, Hooker, Keith, Keyapaha, Kimball, Lincoln, Logan, Loup, McPherson, Morrill, Rock, Scotts Bluff, Sheridan, Sioux, Thomas, and Wheeler.

Ohio.—All counties except Ashtabula, Athens, Belmont, Carroll, Columbiana, Cuyahoga, Gallia, Geauga, Guernsey, Harrison, Hocking, Jackson, Jefferson, Lake, Lawrence, Lorain, Mahoning, Medina, Meigs, Monroe, Morgan, Muskingum, Noble, Portage, Stark, Summit, Trumbull, Tuscarawas, Vinton, Washington, and Wayne.

South Dakota.—Bon Homme, Brookings, Charles Mix, Clay, Davison, Douglas, Hanson, Hutchinson, Kingsbury, Lake, Lincoln, McCook, Minnehaha, Moody, Turner, Union, and Yankton.

Wisconsin.—Dane, Grant, Green, Iowa, Lafayette, and Rock.

2. (a). *Corn loan areas.*—Loans will be made pursuant to these instructions to eligible producers, as defined in Sub-section (a–2) of Section 1 hereof, in the following States and counties:

Indiana.—Clark, Floyd, Harrison, Lawrence, Orange, Martin, Monroe, Spencer.

Kansas.—Cheyenne, Clay, Cloud, Decatur, Geary, Graham, Morris, Rawlins, Sherman, Wabaunsee, Wyandotte.

Missouri.—Cedar, Cole, Dade, Franklin, Gasconade, Jasper, Morgan, St. Louis, Sullivan, Warren.

Nebraska.—Chase, Holt, Keith, Lincoln, Wheeler.

Ohio.—Jackson, Lorain, Muskingham.

South Dakota.—Deuel, Grant, Miner, Roberts, Sanborn.

Minnesota.—Anoka, Hennepin, Pope, Sherburne, Washington.

Wisconsin.—Columbia, Green Lake, Winnebago, Fond du Lac, Sheboygan, Washington, Dodge, Jefferson, Racine, Walworth, Kenosha, Sauk.

3. *Amount.*—Loans will be made at the rate of 57 cents per bushel, a bushel of shelled corn being determined by using not less than 1¼ cubic feet of shelled corn grading No. 3 or better, testing not more than 13 percent in moisture content; and a bushel of ear corn being determined by using not less than than 2½ cubic feet of ear corn testing not more than 15½ percent in moisture content. From the foregoing rate there shall be deducted an amount equal to one-tenth cent (1/10¢) per bushel of mortgaged corn. The funds derived from this source will be used to cover the cost of moisture-testing equipment and supplies. The payee named in the note

* Determination of moisture content will be made in State agricultural conservation offices in accordance with the Official Grain Standards Manual.

should withhold an amount equal to one-tenth cent (1/10¢) per bushel for all mortgaged corn, and such amount will be deducted by Commodity Credit Corporation at the time of purchase of notes from lending agencies.

4. *Maturity and interest rate.*—Loans will be available from September 1, 1938, to October 31, 1938, inclusive. Loans on 1938 C. C. C. Corn Form A will mature on August 1, 1939, and will bear interest at the rate of four percent (4%) per annum. Producer-borrowers must agree to store the pledged corn until 60 days after maturity date of the loan.

5. *Inspection of storage structures, sampling, measurement, and sealing of corn.*—The County Agricultural Conservation Committees will supervise the inspection of storage structures, measuring, and sealing the corn by an inspector, and will arrange for moisture testing and grading of samples. Chattel mortgages covering the corn must be executed, and filed in accordance with the applicable State law. Producers may obtain information and assistance from the County Agricultural Conservation Committees in regard to the execution and filing of such chattel mortgages. Where the borrower is a tenant, the expiration date of the lease must be given in Section 2 (c) of the chattel mortgage. If the expiration date of the lease is prior to October 1, 1939, the landlord shall execute the Consent for Storage, Section 12 of 1938 C. C. C. Corn Form A. The Consent Agreement must also be signed by any other party or parties entitled to possession. Each producer must agree to shell, if not already shelled, and deliver the mortgaged corn to a shipping point designated by the holder which is reasonably convenient to the producer as provided in the mortgage.

6. *Execution and filing of chattel mortgages.*—All chattel mortgages must be executed and filed for record in accordance with the following requirements. The mortgage forms have been prepared in triplicate, and the following instructions provide for filing the duplicate copy of the mortgage on which the certification of true copy has been completed. The receipt of the recorder, register of deeds, county clerk, auditor, or similar county official, must be completed and executed on the original mortgage to indicate the date of filing or recordation. In those instances in which chattel mortgages must be filed in both the county in which the mortgagor resides and in the county in which the corn is stored, the triplicate copy of the mortgage must be used for this purpose and an additional receipt from the county official typed or stamped on the original mortgage. Except where required for filing, the triplicate copy of the mortgage should be delivered to the mortgagor. In case the triplicate copy is used for filing, the mortgagor should be given a copy of the mortgage which may be completed on any one copy of the form. A separate mortgage must be completed for corn stored on each quarter section. In States in which acknowledgments or affidavits are required, all copies should be completed in full. Unless acknowledged, all mortgages must be executed in the presence of one witness, except as stated otherwise.

All documents must be carefully examined as to compliance with the following requirements:

ILLINOIS

The mortgage must be executed and acknowledged by the mortgagor. The duplicate copy must be filed for record within 10 days from the date of execution in the office of the recorder of deeds of the county in which the mortgagor resides, or if a nonresident of the State, in the office of the recorder of deeds of the county in which the corn is stored. Commodity Credit Corporation will not accept any note secured by mortgage filed for record later than 10 days after the date of the note and mortgage.

INDIANA

The mortgage must be executed and acknowledged by the mortgagor. The original mortgage must be recorded within 10 days from the date of execution in the office of the recorder of the county in which the mortgagor resides, or if a nonresident of the State, in the office of the recorder of the county in which the corn is stored. Commodity Credit Corporation will not accept any note secured by mortgage recorded later than 10 days after the date of the note and mortgage.

IOWA

The mortgage must be executed and acknowledged by the mortgagor and spouse. The duplicate copy must be filed for record in the office of the recorder of the county in which the mortgagor resides, or if a nonresident of the State, in the office of the recorder of the county in which the corn is stored.

KANSAS

The mortgage must be executed by the mortgagor and spouse. The duplicate copy must be filed for record immediately upon the execution of the mortgage in the office of the register of deeds of the county in which the mortgagor resides, or if a nonresident of the State, in the office of the register of deeds of the county in which the corn is stored. Commodity Credit Corporation will not accept any note secured by mortgage filed for record later than 10 days after the date of the note and the mortgage.

KENTUCKY

The mortgage must be executed by the mortgagor either in the presence of two witnesses or it must be acknowledged before an officer qualified to take acknowledgments. The duplicate copy of the mortgage must be filed for record in the office of the county clerk of the county in which the mortgagor resides; or, if the mortgagor is a nonresident of the State, it must be filed for record in the office of the county clerk of the county in which the corn is stored.

MICHIGAN

The mortgage must be executed by the mortgagor. The mortgagor's Affidavit of Good Faith and Receipt on such mortgage must be completed by the mortgagor. The duplicate copy of the mortgage must be filed for record in the office of the register of deeds of the county in which the corn is stored. If the mortgagor resides in another county within the State, the triplicate copy of the mortgage must be certified as a true copy and filed for record in the office of the register of deeds of such county.

MINNESOTA

The mortgage must be executed by the mortgagor in the presence of two witnesses and duly acknowledged. The Mortgagor's Affidavit of Good Faith and Receipt must be completed by the mortgagor, and the Mortgagee's Affidavit of Good Faith must be completed by the Payee except in the case of direct loans, in which event it must be completed by a member of the county committee as agent of Commodity Credit Corporation. The duplicate copy of the mortgage must be filed for record in the office of the register of deeds of the county in which the corn is stored, but if the corn is stored in cities of the first class it must be filed in the office of the clerk of the municipality where the corn is stored.

MISSOURI

The mortgage must be executed and acknowledged by the mortgagor. The duplicate copy of the mortgage must be filed for record in the office of the recorder of deeds of the country in which the mortgagor resides, or if a nonresident of the State, in the office of the recorder of deeds of the county in which the corn is stored.

NEBRASKA

The mortgage must be executed by the mortgagor. The duplicate copy of the mortgage must be filed for record in the office of the county clerk of the county in which the mortgagor resides, or if a nonresident of the State, in the office of the county clerk of the county in which the corn is stored.

OHIO

The mortgage must be executed by the mortgagor. The Mortgagee's Affidavit of Good Faith must be completed by the Payee except in the case of direct loans, in which event it must be completed by a member of the county committee as agent of Commodity Credit Corporation. The duplicate copy must be filed in the office of the county recorder of the county in which the mortgagor resides or, if a nonresident of the State, in the office of the county recorder of the county in which the corn is stored.

SOUTH DAKOTA

The chattel mortgage must be executed by the mortgagor, either in the presence of two witnesses, or it may be acknowledged before an officer authorized to take acknowledgments. The Mortgagor's Affidavit of Good Faith and Receipt must be completed. The duplicate copy must be filed for record in the office of the register of deeds of the county in which the corn is stored.

WISCONSIN

The mortgage must be executed by the mortgagor and spouse in the presence of two witnesses. The duplicate copy of the mortgage must be filed for record in the office of the register of deeds of the county in which the corn is stored.

7. *Liens.*—The corn collateral must be free and clear of all liens except in favor of the lien holders listed in the space provided therefor in 1938 C. C. C. Corn Form A. The names of the holders of all existing liens on the mortgaged corn, such as landlord, laborers, shellers, or mortgagees must be listed in the space provided therefor in the mortgage. The Waiver and Consent to the mortgage of the corn and the payment of the proceeds of the loan and the proceeds of the sale of the corn, solely to the producer as contained in the mortgage, must be signed personally by all lien holders listed or by their agents, whose duly executed authority must be firmly attached; or, if a corporation, by the designated officer thereof customarily authorized to execute such instrument, in which case the duly executed authority need not be attached. In the case of mortgaged corn now represented by farm warehouse certificates which are pledged as security to notes *held by Commodity Credit Corporation* the producer should list Commodity Credit Corporation as lien holder and it will not be necessary for the waiver and consent to pledge to be executed by Commodity Credit Corporation. If the notes secured by such farm warehouse certificates are held by a bank or lending agency, Commodity Credit Corporation will expect the farm warehouse certificates to be released of record prior to the completion of the new loan. The producer may direct in the Letter of Transmittal (1938 C. C. C. Corn Form B) that the proceeds check for a direct loan from Commodity Credit Corporation be made payable to him and/or such other person or concern as he may designate therein. Producers should read carefully all real estate or other mortgages previously given by them in order to be certain that crops are not covered thereby. Any fraudulent misrepresentation of fact made in the execution of the note and mortgage and related forms shall render the producer personally liable for the amount of the loan and subject to the provisions of the United States Criminal Code.

8. *Insurance.*—All producers who obtain loans are required, at their own expense, to keep the corn collateral insured, so long as the loan is unpaid, against loss by fire, lightning, windstorm, cyclone, tornado, and with or without hail coverage, for not less than the amount of the loan with accrued interest to maturity. Producers must also obtain at their own expense any insurance coverage desired with respect to their equity in the mortgaged corn.

To comply with this requirement there must be attached to each producer's note and mortgage a certificate in the form printed at the end of these instructions, issued by a company or association licensed to do business in the State in which the corn is stored. This insurance coverage may be obtained through the customary channels and the form of certificate required will be furnished by the agent writing same.

In addition to the foregoing, Commodity Credit Corporation has obtained a blanket insurance policy which protects it in the event of any loss by or in consequence of damage to or destruction of mortgaged corn, arising from fire, and lightning; cyclone, tornado, windstorm and hail; theft and wrongful conversion and flood. This policy is in the nature of errors and omissions and excess insurance and the cost of this coverage is 1¼ cents per $100 per month on the daily average balance of loans outstanding. Banks and other lending agencies which have executed the Contract to Purchase (1938 C. C. C. Corn Form D) desiring insurance coverage in addition to the primary insurance carried by the producer, until the notes are purchased by Commodity Credit Corporation, should obtain such coverage at their own expense. Such coverage may be obtained through the customary channels or under the blanket insurance carried by Commodity Credit Corporation. Banks and other lending agencies desiring coverage under the Corporation's blanket policy should write Commodity Credit Corporation, Washington, D. C., and appropriate instructions will be issued, together with the necessary forms for reporting thereunder.

9. *Certification by County Agricultural Conservation Committee.*—The form 1938 C. C. C. Corn Form A contains a certificate which must be signed in each instance by a member of a County Agricultural Conservation Committee of the county in which the corn was produced.

10. *Documents required.*—

(i) Corn Producer's Note and Chattel Mortgage (1938 C. C. C. Corn Form A).

(ii) Original and duplicate of Producer's Letter of Transmittal (1938 C. C. C. Corn Form B), or Lending Agency's Letter of Transmittal (1938 C. C. C. Form C), whichever is applicable.

(iii) Certificate of Insurance.

(a) *Lending agencies.*—Banks or others acting as lending agencies must also obtain and use the following forms:

(i) Contract to Purchase (1938 C. C. C. Corn Form D).

(ii) Schedule of Repayments (1938 C. C. C. Corn Form E).

(iii) Assignment of Mortgage (1938 C. C. C. Corn Form F).

11. *Source and preparation of documents.*—Forms will be obtainable from any County Agricultural Conservation Committee in the areas designated in Section 2 hereof and any Loan Agency of the Reconstruction Finance Corporation listed in Section 17 hereof. All blanks in 1938 C. C. C. Corn Form A must be filled in with ink, typewriter, or indelible pencil, and no documents containing additions, alterations, or erasures will be acceptable by Commodity Credit Corporation.

12. *Certificate of seller.*—The certificate of seller, as contained in 1938 C. C. C. Corn Form A must be executed by the seller of the corn in connection with all loans in which any part of the mortgaged corn was not grown by the producer but was purchased from another eligible producer as outlined in subsection (b) of Section 1 hereof.

13. *Conversion of old corn loans.*—Outstanding loans on 1937–38 C. C. C. Corn Form A secured by farm warehouse certificates representing farm stored corn may be converted to new loans prior to November 1, 1938. It is expected that lending agencies desiring to carry the new loans will arrange with the producers for the completion of the new forms and the retirement of the old corn loans out of the proceeds of the new corn loans. Any old corn loan held by Commodity Credit Corporation may be converted by the producer completing new loan papers and forwarding the same to the Loan Agency of Reconstruction Finance Corporation with instructions in the Producer's Letter of Transmittal (1938 C. C. C. Corn Form B) to repay the old corn loan out of the proceeds of the new corn loan. If the producer contemplates mortgaging shelled corn under the new loan, the present loan *must* be repaid in full prior to the breaking of the seal and the shelling of the corn.

14. *Direct loans.*—It is contemplated that producers will ordinarily obtain loans from a local bank or other lending agency which, in turn, may sell the paper evidencing such loan to Commodity Credit Corporation. Arrangements, however, have been made for making direct loans to producers. In such cases, the note must be made payable to Commodity Credit Corporation and must be delivered to a Loan Agency of the Reconstruction Finance Corporation designated in Section 17 hereof. Paper for direct loans tendered by mail, in person, or otherwise, must be accompanied by a Producer's Letter of Transmittal on 1938 C. C. C. Corn Form B, in duplicate, and must be delivered or postmarked prior to November 1, 1938. The triplicate copy of this letter shall be retained by the producer as a memorandum. Upon delivery of all necessary documents properly executed and upon approval of the

loan, payment will be made pursuant to the Letter of Transmittal.

15. *Purchase of loans.*—Commodity Credit Corporation will purchase eligible paper, as defined above, only from lending agencies which have executed and delivered to the Loan Agency of the Reconstruction Finance Corporation to which notes are submitted the Contract to Purchase 1938 C. C. C. Corn Form D obtainable only from Loan Agencies of the Reconstruction Finance Corporation designated in Section 17 hereof. Under the terms of this contract, lending agencies are required to report monthly on 1938 C. C. C. Corn Form E all payments or collections on producer's notes held by them, and to remit monthly to Commodity Credit Corporation, Washington, D. C., an amount equivalent to one and one-half percent (1½%) interest per annum on the principal amount collected from the date of the note to the date of payment plus one-tenth cent (1/10¢) per bushel for all corn released. Such payments should be accompanied by the respective mortgages which shall be detached from the notes for this purpose. Such eligible paper must be tendered to a Loan Agency of the Reconstruction Finance Corporation prior to July 1, 1939.

The purchase price to be paid by Commodity Credit Corporation for notes accepted will be the face amount of such notes, plus accrued interest from their respective dates to the date of payment of the purchase price at the rate of 2½ percent per annum, less one-tenth cent (1/10¢) per bushel for all corn mortgaged as security to the notes.

16. *Assignment of mortgages.*—Each mortgage tendered by a lending agency to Commodity Credit Corporation for purchase must be accompanied by an assignment on 1938 C. C. C. Corn Form F. The duplicate copy of this assignment must have been filed for record in the office(s) of the recording official(s) of the county or counties in which the mortgage was filed or recorded. The original assignment must contain the executed receipt(s) of the recording official indicating the date of filing or recordation.

17. *Reconstruction Finance Corporation Loan Agencies.*—The locations of the Loan Agencies of the Reconstruction Finance Corporation, previously referred to herein, follow:

Chicago, Ill., Cleveland, Ohio, Detroit, Mich., Kansas City, Mo., Louisville, Ky., Minneapolis, Minn., Omaha, Nebr., St. Louis, Mo.

18. *Release of collateral held by Commodity Credit Corporation.*—A producer may obtain the return of notes secured by corn upon his request in writing and payment of the principal amount due thereon with accrued interest and proper charges. The producer's note and mortgage will be transmitted to an approved bank with instructions to deliver the loan documents to the producer, or his agent, upon the payment of the full amount due thereon with accrued interest and proper charges. Where such paper is sent to an approved bank for collection, instructions will be given to return such paper to the sender if payment and release are not effected within 15 days. All charges and expenses of the collecting bank shall be paid by the producer. County Agricultural Conservation Committees will be requested to release the mortgage of record, after payment in full, either by the filing of an instrument of release or by a margin release on the county records. Partial releases of collateral will not be permitted.

If the producer's note is made payable directly to Commodity Credit Corporation and he desires to obtain the release of the collateral upon payment, as aforesaid, he should notify the Federal Reserve Bank or branch thereof located in the city to which the note was submitted. If his note was made payable to a payee other than Commodity Credit Corporation, the producer should notify the payee named therein.

Certificate No. ------

Amount ---------- $------
Premium ---------- ------
Term ----------

CERTIFICATE OF INSURANCE

Corn in Farm Storage

Agency at ----------

1. This certifies that in consideration of ------ dollars premium (subject to all the terms and conditions of Open Policy No. ------, issued by this company or association) ---------- does insure -----
(Company or association)
---------- against all direct loss or damage by fire, lightning, windstorm, cyclone, tornado, and hail * in the sum of ------ dollars on ------ bushels of corn stored and sealed in the possession of the assured in structure(s) situated on the ------ quarter of section ------, township ------, range -------, County of ----------, State of ----------, for the term of one (1) year from the -------- day of ----------, 19--, at 12 o'clock noon, to the -------- day of ----------, 19--, at 12 o'clock noon, said structure(s) having been inspected and sealed in accordance with regulations issued by the Secretary of Agriculture pursuant to the Agricultural Adjustment Act of 1938, as amended.

2. Any loss which may be ascertained and proved to be due the insured under this contract shall be payable to the insured and/or the holder of note secured by such corn as their respective interests may appear.

Special (Corn) Endorsement Providing the Basis of Adjustment in Case of Loss on Corn Mortgaged Under Loan Program of Commodity Credit Corporation

3. All or any part of the corn described herein having been mortgaged as security for a loan on 1938 C. C. C. Corn Form A, it is a condition of this insurance that in event of loss or damage to any of such mortgaged corn the basis of adjustment shall be the actual cash market value at the time and place of the loss, except that if such actual cash market value is less than the loan value per bushel, plus accrued interest at four percent (4%) per annum, then such actual cash value shall be disregarded and the value of any corn so mortgaged shall be deemed to be the loan value per bushel plus accrued interest thereon.

4. The provisions of Section 3 hereof shall attach and apply only so long as the note secured by the corn described herein is outstanding.

5. *In witness whereof,* this company or association has executed and attested these presents, but this certificate shall not be valid until countersigned by a duly authorized agent of this company or association.

Secretary.

President.

Countersigned:
This -------- day of ----------, 19--

(Agent)

[SEAL] M. R. BUCK,
Assistant Secretary.

SEPTEMBER 1, 1938.

[F. R. Doc. 38-3308; Filed, November 3, 1938; 9:39 a. m.]

*Optional.

1938 CORN CIRCULAR LETTER No. 1

SUPPLEMENTAL INSTRUCTIONS

OCTOBER 12, 1938.

1. The definition of eligible corn as set forth in Section 1 (b) of the Instructions (1938 CCC Corn Form 1)[1] is hereby amended to permit the acceptance of shelled corn containing not more than 13½% moisture.

2. Any lending agency may sell corn paper to another lending agency and the Contract to Purchase of Commodity Credit Corporation will cover notes and chattel mortgages on 1938 CCC Corn Form A in the hands of the lending agencies which did not make the loans in the first instance. However, it is necessary that all such notes and chattel mortgages be assigned of record to the second lending agency, and the original of the assignment indicating the recordation or filing for record of the duplicate copy of the assignment must accompany the note and chattel mortgage when tendered to the Loan Agency of Reconstruction Finance Corporation for purchase. The assignment of a chattel mortgage as between lending agencies should be similar in form to the assignment of chattel mortgages designated as 1938 CCC Corn Form F, with the exception that the name of Commodity Credit Corporation should be deleted and the name of the lending agency inserted.

3. All notes payable to a lending agency must be specially endorsed by such lending agency without recourse. Such endorsement may be stamped or typed on the note or on a separate paper and attached to the note.

[SEAL] SAMUEL H. SABIN,
Secretary.

[F. R. Doc. 38-3309; Filed, November 3, 1938; 9:39 a. m.]

[1] See page 2616.

1938 CORN CIRCULAR LETTER No. 2

SUPPLEMENTAL INSTRUCTIONS

OCTOBER 25, 1938.

1. The Instructions (1938 CCC Corn Form 1)[1] concerning the making of loans on corn produced in 1937, are hereby amended to authorize the acceptance of notes on 1938 CCC Corn Form A dated on or before November 15, 1938. This extends the time for making loans on 1937–38 corn for an additional period of fifteen days.

2. Hereafter, all loans on 1938 CCC Corn Form A will be handled solely by the Chicago Loan Agency of Reconstruction Finance Corporation. Producers and lending agencies should refer all matters relating to loans on corn produced in 1937 to the Chicago Loan Agency.

3. No extension has been made of the time for the purchase of 1937–38 corn loans carried by banks and lending agencies. Notes and loan agreements on 1937–38 CCC Corn Form A in the hands of banks and lending agencies must be tendered for purchase prior to November 1, 1938. Such notes must be submitted to the Chicago Loan Agency of Reconstruction Finance Corporation. In each instance the bank or lending agency must have executed a Contract to Purchase (1937–38 CCC Corn Form D) with a Loan Agency of Reconstruction Finance Corporation.

4. Instructions have been issued to the County Agricultural Conservation Committees concerning the conversion of old corn loans into new corn loans or the liquidation of 1937–38 corn notes by the delivery of corn. Producers are advised that outstanding corn loans on 1937–38 CCC Corn Form A must be converted into new loans or liquidated by the delivery of corn collateral on or before November 15, 1938.

[SEAL] JOHN D. GOODLOE,
Vice President.

[F. R. Doc. 38-3310; Filed, November 3, 1938; 9:39 a. m.]

1938–39 COTTON CIRCULAR LETTER No. 2[2]

OCTOBER 27, 1938.

In order that proper warehousing facilities will be available to all producers desiring to obtain loans on 1938 Crop Cotton, Commodity Credit Corporation will accept warehouse receipts showing liens for freight and compression charges in accordance with these instructions on cotton moved by or for the account of producers to port warehouses.

Payment for freight and compression charges will be made by Commodity Credit Corporation at the time of shipment of the cotton and only to the extent provided in the certificate of the warehouseman accompanying the note. No liens for patching will be recognized. All liens shall be stated in the warehouse receipts and each note and loan agreement must be accompanied by the following additional certificate of the warehouseman:

The cotton securing the attached note of _____ dated _____
(Name & Address of Producer)
_____ in the amount of $_____ was moved by _____ from _____
(rail, truck or barge)
_____ to _____ the warehouse stated in said loan agreement and freight thereon in the amount of $_____ was paid by the undersigned as evidenced by signed duplicate freight bills or truckers' receipts attached hereto. Compression charges in the amount of $_____ were also paid _____, in accordance with the tariff of such warehouseman. Notwithstanding the terms of the warehouse receipts, lien will not be claimed against any holder of said warehouse receipts for more than the amounts stated below:
(Name & Address of Compress)

(a) For cotton shipped export, or coastwise:

The cost of compression as indicated herein plus the lowest possible rail transportation cost from the shipping point to any port warehouse.

(b) For cotton delivered to a mill at the warehouse location:

The lowest possible rail transportation cost from the shipping point to any port warehouse plus the cost of compression, as indicated herein, where compression is necessary to obtain the lowest rail transportation cost.

(c) For cotton shipped by rail to domestic mills:

An amount which when added to the lowest possible rail transportation costs from the port warehouse to the mill destination, and after deducting the refund value of any freight bills properly transferred under the provisions of the carrier's tariffs, does not exceed the lowest possible rail transportation cost from the point of origin of the cotton to the domestic mill location plus the cost of compression where necessary to compress the cotton to obtain the lowest freight rate.

_____
Warehouse Company
By _____
Date _____
Location _____

Lines for compression on cotton shipped to port locations other than Texas or California ports, will be recognized only to the extent of the rates applicable to Standard Density Compression and cotton shipped to such port locations should be compressed Standard Density. Cotton shipped to Texas or California ports should be compressed High Density. No liens will be recognized for patching, or for compression services performed after arrival of the cotton at the port warehouse.

Port warehouses located in Texas may use either the procedure outlined herein or in 1938–39 Cotton Circular Letter No. 1, dated September 20, 1938.

The loan value for cotton covered with cotton bagging has been increased by an amount equal to 65 cents per bale. Lending Agencies in determining the amount of the loan on such cotton should add 65 cents for each bale of cotton covered with cotton bagging, such cotton to be evidenced by a certificate of the warehouseman in following form which must be attached to the note:

The undersigned warehouseman hereby certifies that the bales of cotton listed below are covered with cotton bagging:

Warehouse receipt No.	Warehouse receipt No.	Warehouse receipt No.	Warehouse receipt No.	Warehouse receipt No.

_____
Warehouse Company
By _____
Date _____
Location _____

[SEAL] G. E. RATHELL,
Treasurer.

[F. R. Doc. 38-3311; Filed, November 3, 1938; 9:40 a. m.]

TITLE 8—ALIENS AND CITIZENSHIP

IMMIGRATION AND NATURALIZATION SERVICE

[General Order No. C-6]

ABSENCE OF AN ALIEN FROM THE UNITED STATES DURING THE PERIODS OF RESIDENCE REQUIRED BY THE NATURALIZATION LAWS

NOVEMBER 2, 1938.

Public Resolution No. 128 of June 29, 1938, entitled "Joint Resolution To amend the Naturalization Act of June 29, 1906 (34 Stat. 596), as amended", provides as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the second paragraph of the fourth subdivision of section 4 of the Naturalization Act of June 29, 1906 (U. S. C., title 8, sec. 382), as amended by section 1 of the Act of June 25, 1936 (49 Stat. 1925), is amended to read as follows:

"Absence from the United States for a continuous period of more than six months and less than one year during the period for which continuous residence is required for admission to citizenship, immediately preceding the date of filing the petition for naturalization, or during the period between the date of filing the petition, and the date of final hearing, shall be presumed to break the continuity of such residence, but such presumption may be overcome by the presentation to the naturalization court of satisfactory evidence that such individual had a reasonable cause for not returning to the United States during such absence. Absence from the United States for a continuous period of one year or more during the period for which continuous residence is required for admission to citizenship immediately preceding the date of filing the petition for naturalization or during the period between the date of filing the petition and the date of final hearing, shall break the continuity of such residence, except, that in the case of an alien—

(a) who has been lawfully admitted into the United States for permanent residence,

(b) who has resided in the United States for at least one year thereafter, and

(c) who has made a declaration of intention to become a citizen of the United States, who shall be deemed an eligible alien for the purposes of this paragraph and who thereafter has been sent abroad as an employee of or under contract with the Govern-

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[1] See page 2616.
[2] 3 F. R. 2593 DL.

ment of the United States, or who thereafter proceeded abroad as an employee or representative of, or under contract with an American institution of research recognized as such by the Secretary of Labor, or as an employee of a firm or corporation engaged in the development of foreign trade and commerce of the United States, or a subsidiary thereof, or any such eligible alien as above defined who has proceeded abroad temporarily and has within a period of one year of his departure from the United States become an employee or representative of, or who is under contract with such an American institution of research, or has become an employee of such an American firm or corporation, no such absence shall break the continuity of residence in the United States if—

"(1) Prior to the beginning of such absence, or prior to the beginning of such employment, contract, or representation on behalf of an American institution of research or an American firm or corporation as aforesaid, such alien has established to the satisfaction of the Secretary of Labor that his absence for such period is to be on behalf of such government or for the purpose of carrying on scientific research on behalf of such institution, or to be engaged solely or principally in the development of such foreign trade and commerce, or whose residence abroad is necessary to the protection of the property rights abroad of such firm or corporation; and

"(2) Such alien proves to the satisfaction of the court that his absence from the United States for such period has been for such purpose.

"An alien who has been lawfully admitted into the United States for permanent residence, and who is the wife or husband of a citizen of the United States so engaged abroad within one of the above-mentioned categories, shall be considered as residing in the United States for the purpose of naturalization notwithstanding any absence from the United States.

"This amendment shall not affect cases of aliens who prior to the date of its enactment have established to the satisfaction of the Secretary of Labor, pursuant to an Act entitled 'An Act to amend the naturalization laws in respect of residence requirements, and for other purposes', approved June 25, 1936, that absence from the United States was to be or had been for the purpose of carrying on activities described therein."

Pursuant to the authority contained in Section 28 of the Act of June 29, 1906 (34 Stat. 606), as amended by Section 8 of the Act of March 2, 1929 (45 Stat. 1515; 8 U. S. C., 356), the following rules and regulations are prescribed for the enforcement of the aforesaid Public Resolution No. 128 of June 29, 1938:

Sec. 7.43, Title 8 of the Code of Federal Regulations (Rule 3, Subdivision B, paragraph 1 of the Naturalization Regulations of December 1, 1936), is amended by adding in the proper numerical order the following:

Form No. 2364.	Title
	Application for the Benefits of Public Resolution No. 128 of June 29, 1938.

Sections 7.113 through 17.116 of Title 8 of the Code of Federal Regulations (Rule 7, Subdivision E of the Naturalization Regulations of December 1, 1935), are amended to read as follows:

SEC. 7.113 (a) *Residence; effect of absence from the United States not exceeding six months.*—Where a petitioner for naturalization has been absent from the United States for not more than six months during the period immediately preceding the date of filing the petition for naturalization for which continuous residence is required, or during the period between the date of filing such petition and the date of final hearing thereon, objection to the granting of naturalization will not be made on that ground unless the facts and circumstances indicate a break in the continuity of the required residence, in which case objection shall be made. (*; Sec. 4 (4), 34 Stat. 598, Sec. 6 (b), 45 Stat. 1513, Sec. 1, 49 Stat. 1925, 8 U. S. C. Supp. III).

(b) *Residence; effect of absence from the United States more than six months but less than one year.*—Where the absence from the United States during either of the periods described in paragraph (a) of Sec. 7.113 has been continuous for more than six months and less than one year, objection shall be made unless the evidence to be presented to the naturalization court satisfactorily overcomes the presumption raised by the statute that the required continuity of residence has been broken. (*; Sec. 4 (4), 34 Stat. 598, Sec. 6 (b), 45 Stat. 1513, Sec. 1, 49 Stat. 1925, 8 U. S. C. Supp. III.)

(c) *Residence; effect of absence from the United States for one year or more.*—Where the absence from the United States during either of the periods described in paragraph (a) of Sec. 7.113 has been for a continuous period of one year or more, objection shall be made, unless the case comes within the provisions of Sections 7.114, 7.115, 7.116 (A) or 7.116 (B), as otherwise the law itself declares that such absence breaks the continuity of the required residence. (*; Sec. 4 (4), 34 Stat. 598, Sec. 6 (b), 45 Stat. 1513, Sec. 1, 49 Stat. 1925, 8 U. S. C. Supp. III.)

(d) *When objection overruled; procedure.*—If objection made under this section is overruled, exception shall be noted and the facts reported immediately to the Central Office.

SEC. 7.114 *Residence, when not affected by absence from the United States before June 25, 1936.*—No period of residence outside the United States during the five years immediately preceding June 25, 1936, shall be held to have broken the continuity of residence required by the naturalization laws if the alien declarant—

(a) proves to the satisfaction of the Secretary of Labor that during all such period of absence

(1) the applicant was under employment by, or under contract with the Government of the United States, or

(2) the applicant was under employment by, or under contract with, an American institution of research recognized as such by the Secretary of Labor, for the purpose of carrying on scientific research on behalf of such institution, or

(3) the applicant was an employee of an American firm or corporation, or subsidiary thereof, engaged in whole or in part in the development of foreign trade and commerce of the United States, or

(4) the presence of the applicant was necessary to the protection of the property rights of such firm or corporation in any foreign country or countries;

and if—

(b) at the hearing on the petition for naturalization the alien proves to the satisfaction of the court that the absence from the United States for such period was for the purpose which was established to the satisfaction of the Secretary of Labor. (*; Sec. 4 (4), 34 Stat. 598, Sec. 6 (b), 45 Stat. 1513, Sec. 1, 49 Stat. 1925, 8 U. S. C. Supp. III.)

SEC. 7.115 *Limitation on effect of Public Resolution No. 128 of June 29, 1938.*—Public Resolution No. 128 of June 29, 1938, has no effect upon the cases of aliens who, prior to that date, had established to the satisfaction of the Secretary of Labor pursuant to the Act of June 25, 1936, that their absence from the United States during the period for which continuous residence is required for admission to citizenship, immediately preceding the date of filing the petition for naturalization, was to be or had been for any of the purposes set forth in paragraph (a) of Section 7.114. However, proof that the Secretary was so satisfied in respect of that matter must be made by the applicant to the satisfaction of the court at the hearing on his or her petition for naturalization.

SEC. 7.116 *Residence; when not affected by absence from the United States on or after June 29, 1938.*—No absence from the United States on or after June 29, 1938, shall break the continuity of residence in the United States in the case of an alien—

(a) who has been lawfully admitted into the United States for permanent residence, has resided therein for at least one year thereafter, has made a declaration of intention to become a citizen of the United States, who shall be deemed an eligible alien for the purposes of this section and—

(1) who thereafter has—

(i) been sent abroad as an employee of, or under contract with, the Government of the United States or

(ii) proceeded abroad as an employee or representative of, or under contract with, an American institution of research recognized as such by the Secretary of Labor, or

(iii) proceeded abroad as an employee of a firm or corporation engaged in the development of foreign trade and commerce of the United States, or a subsidiary thereof, or

(2) who has proceeded abroad temporarily and within a period of one year of his departure from the United States has become—

(i) an employee or representative of, or under contract with, such an American institution of research, or

(ii) an employee of such an American firm or corporation, if such alien

(b) prior to the beginning of such absence, or prior to the beginning of such employment, contract, or representation on behalf of an American institution of research, or an American firm or corporation as aforesaid, has established to the satisfaction of the Secretary of Labor that his absence for such period is to be—

(1) on behalf of the Government of the United States, or

(2) for the purpose of carrying on scientific research on behalf of such institution, or

(3) for the purpose of engaging solely or principally in the development of such foreign trade and commerce, or

(4) necessary to the protection of the property rights abroad of such firm or corporation;

and if—

(c) at the hearing on the petition for naturalization the alien proves to the satisfaction of the court that the absence from the United States for such period was for the purpose which was established to the satisfaction of the Secretary of Labor. (*; Sec. 4 (4), 34 Stat. 598, Sec. 6 (b), 45 Stat. 1513, Sec. 1, 49 Stat. 1925, 8 U. S. C. Supp. III.)

* * * * *

The following new sections are added to Title 8, Code of Federal Regulations immediately after Section 7.116 (such added sections being addenda to Rule 7, Subdivision E of the Naturalization Regulations of December 1, 1936):

SEC. 7.116 (A) *Alien wife or husband of a citizen of the United States.*—An alien who has been lawfully admitted into the United States for permanent residence, and is the wife or husband of a citizen of the United States engaged abroad within one of the categories mentioned in Section 7.116 shall be considered as residing in the United States for the purpose of naturalization notwithstanding any absence from the United States.*

SEC. 7.116 (B) *Application forms.*—Application for the benefits of Section 7.114 shall be submitted in duplicate to the Secretary of Labor on Form No. 2363, (A) "Application for the Benefits of the Act of June 25, 1936 (49 Stat. 1925)." Application for the benefits of Section 7.115 shall be submitted to the Secretary in duplicate on Form No. 2364, "Application for the Benefits of Public Resolution No. 128 of June 29, 1938." The application will be duly considered by the Secretary of Labor and the alien notified of the decision thereon. A copy of such decision, verified or certified by the Commissioner of Immigration and Naturalization, or any Deputy Commissioner of Immigration and Naturalization, shall be filed in the naturalization court with the alien's petition for naturalization as a part of the record of the naturalization proceeding.

[SEAL] JAMES L. HOUGHTELING,
Commissioner of Immigration and Naturalization.

Approved:
FRANCES PERKINS,
Secretary.

[F. R. Doc. 38-3304; Filed, November 2, 1938; 1:53 p. m.]

TITLE 16—COMMERCIAL PRACTICES

FEDERAL TRADE COMMISSION

United States of America—Before Federal Trade Commission

At a regular session of the Federal Trade Commission held at its office in the City of Washington, D. C., on the 2nd day of November, A. D. 1938.

Commissioners: Garland S. Ferguson, Chairman; Charles H. March, Ewin L. Davis, William A. Ayres, Robert E. Freer.

[File No. 21-323]

IN THE MATTER OF TRADE PRACTICE RULES FOR THE SILK INDUSTRY

PROMULGATION

Due proceedings having been held[1] under the trade practice conference procedure in pursuance of the Act of Congress approved September 26, 1914, as amended (Federal Trade Commission Act), and other provisions of law administered by the Commission;

It is now ordered, That the trade practice rules of Group I and Group II, as hereinafter set forth, which have been approved and received, respectively, by the Commission in this proceeding, be promulgated as of November 4, 1938.

STATEMENT BY THE COMMISSION

Trade practice rules for the Silk Industry, as herein set forth, are promulgated by the Federal Trade Commission under its trade practice conference procedure. The general purpose of the rules is to foster and promote fair competitive conditions and the protection of the purchasing and consuming public in the interest of both the industry and the public; to this end to provide for proper identification and disclosure of material content of merchandise containing or purporting to contain silk in whole or in part; to make provision for accurate designations and descriptions to be used in marketing such products; and to eliminate and prevent misrepresentation, deceptive concealment and other unfair methods of competition or unfair or deceptive acts or practices.

In the course of the proceedings an industry's conference was held in Washington, D. C., under the Commission's auspices, and proposed trade practice rules were submitted by members of the industry. Thereafter tentative action was taken by the Commission on the rules so submitted and a draft of proposed rules was made available upon public notice of at least fifteen days, in pursuance of which all interested and affected parties were afforded opportunity to present such pertinent facts, suggestions or objections as they desired and to be heard in respect to the proposed rules. Such hearing was held in Washington and all matters submitted orally or in writing were received and filed in the proceeding.

Thereafter, and upon consideration of the entire matter, final action was taken and the rules in the form appearing herein under Group I and Group II were respectively approved and received by the Commission.

Information received in the premises indicates that 57,815,573 pounds of raw silk, with a dollar value of $106,594,358, were imported into the United States in 1937. This raw product was converted by American mills and factories into more than 60 varieties of finished goods with a total retail sales value of approximately $600,000,000. Such American industry is reported to have a capital investment of more than $500,000,000 and to afford direct employment in the United States to approximately 250,000 persons.

As promulgated the Group I rules are intended to afford a helpful guide to the industry and the public in respect to the described unfair trade practices, which are considered by the Commission to be harmful and illegal. The requirements of law as expressed in such rules are binding upon all engaged directly or indirectly in promoting the sale or distribution or other marketing of the fiber, yarn, thread, strands, fabric, garments and products specified.

The rules for the Silk Industry herein promulgated supersede and replace prior rules published by the Federal Trade Commission on June 18, 1932, concerning the subject of silk weighting.

Said new silk rules are as follows:

Group I

The unfair trade practices which are embraced in these Group I rules are considered to be unfair methods of competition, unfair or deceptive acts or practices, or other illegal practices, prohibited, within the purview of the Federal Government, by acts of Congress, as construed in the decisions of the Federal Trade Commission or the courts; and appropriate proceedings in the public interest will be taken by the Commission to prevent the use, by any person, partnership, corporation or other organization, of such unlawful practices in or directly affecting interstate commerce.

Such provisions of the rules express requirements which are applicable to all sellers, whether importers, manufacturers, converters, distributors, dealers

[1] 3 F. R. 1738 DI.

or other vendors. Each has the definite responsibility of seeing to it that the merchandise as it is advertised by him or as it is introduced by him into the channels of trade or commerce is properly labeled and represented in keeping with the requirements of such Group I rules.

The labeling and other requirements respecting the fiber, yarn, thread, strands, fabric or garment or other product covered by the rules apply to such merchandise in whatever form it may be sold or distributed.

In the case of finished garments or articles manufactured for distribution through the channels of trade to the ultimate consuming public without intermediate processing, it is deemed proper practice for manufacturers thereof not only to label the garment or article with proper disclosure of material content and other disclosure as is required by these rules, but also to cause the labeling (tagging or branding) to be done in such manner as to carry through the ordinary channels of trade to the ultimate consumer and be appropriate in the sale or resale of the garment or article to the consuming public, thereby rendering further or additional labeling as to material content unnecessary so long as the proper label, tag or brand affixed by the manufacturer remains on the garment or article and the material content of the product has not been changed. This shall not, however, be construed as relieving dealers or other vendors of any of their responsibility under the rules of seeing to it that the garment or article bears a proper and appropriate label, brand or tag disclosing the information required by these rules to be disclosed and that it is not falsely or deceptively labeled, nor otherwise marked, advertised, represented or offered for sale in a manner contrary to the provisions of these rules.

RULE 1. (a) *Silk defined.*—Silk is the natural fiber derived from the cocoon of the silkworm.

(b) *Deceptive passing off of silk.*—It is an unfair trade practice to cause any silk fiber, yarn, thread, strands, fabric, or garment or other product made therefrom, to be sold, offered for sale, distributed, advertised, described, branded, labeled or otherwise represented: (1) as not being silk; or (2) as being something other than silk; or (3) without disclosure of the fact that such material or product is silk, made clearly and unequivocally in the invoices, in labels, tags or brands attached to the merchandise, and in whatever advertising matter, sales promotional descriptions or representations thereof may be used, however disseminated or published, where such nondisclosure has the capacity and tendency or effect of misleading or deceiving the purchasing or consuming public.

(c) It is an unfair trade practice to cause any fiber, yarn, thread, strands, fabric, garment or other product, containing or purporting to contain silk of any kind in whole or in part, to be offered for sale, sold or distributed under any conditions of deceptive concealment of the fiber content or under any other deceptive or misleading conditions or representations.

RULE 2. *Silk noil.*—(a) Silk noil is waste silk produced in the operations incident to manufacture of spun silk. The term "silk noil" as used in these rules, however, shall not be construed as including spun silk, except to the extent such spun silk is made of silk noil. For purposes of making disclosure, under these rules, as to content of product, such silk noil may be designated as "Silk Noil", "Noil Silk", "Silk Waste" or "Waste Silk".

(b) In offering for sale, selling or distributing, or promoting the sale or distribution of, any fiber, yarn, thread, strands, fabric, or garment or other product, containing silk noil either in whole or in part, full and nondeceptive disclosure of the presence of such silk noil should be made in labels, tags or brands affixed to the merchandise and in the invoices and in such advertising matter, sales promotional descriptions or representations as may be used in respect thereof, however disseminated or published; and it is an unfair trade practice to deceptively conceal the presence of such silk noil or to fail or refuse to make said disclosure, having the capacity and tendency or effect of thereby misleading or deceiving the purchasing or consuming public. In the use of the term "silk noil", "noil silk", "silk waste" or "waste silk", the words "noil" and "waste" shall not be misleadingly or deceptively minimized, obscured, remotely placed or rendered inconspicuous.

RULE 3. *Pure silk.*—(a) It is an unfair trade practice to use the term or phrase "Pure Silk", "All Silk", "Pure Dye Silk" or the distinctive term or phrase "Pure Dye" or the unqualified word "Silk", or any other word, term, phrase, designation or representation of similar import, as descriptive of any fiber, yarn, thread, strands, fabric, or garment or other product containing the same, (1) the fiber content of which is not silk exclusively; or (2) which contains any metallic weighting whatsoever; or (3) which contains any loading or adulterating materials or other foreign or added substance or material (except the necessary dyeing and/or finishing materials required to produce the color and finish of the product). Such necessary dyeing and/or finishing materials shall, however, in no case exceed 10% in the aggregate, except black, which shall not exceed 15% in the aggregate. These percentages shall be computed upon the weight of the silk in its finished state. Nothing in this rule shall be construed as permitting the use of dyeing or finishing materials, either within or in excess of such 10% and 15% limits, for the purpose or with the result of thereby deceptively loading the product with excess or unnecessary dyeing or finishing materials.

(b) Nothing in this rule shall prohibit the use of the term or phrase "Pure Silk", "Pure Dye Silk" or "Silk", in a truthful and nondeceptive manner, as descriptive of the silk content of a mixed fabric, *provided* said content meets the requirements of the foregoing paragraph (a) of this Rule 3 and the requirements of Rule 7 as to mixed goods; *and provided, further,* it is accurately and in immediate conjunction disclosed clearly and unequivocally that such term or phrase so employed is used as applying only to the silk content of such mixed fabric—such as, for example:

"Rayon and Pure Silk"
or
"Rayon and Silk"
or
"60% Rayon, 40% Pure Dye Silk".

RULE 4. *Weighted Silk.*—(a) Full and nondeceptive disclosure of the presence of metallic weighting, together with the proportion or percentage thereof, in any silk or silk product of any kind, shall be made in labels, tags or brands attached to the merchandise and in the invoices and in whatever advertising matter, sales promotional descriptions or representations may be used in respect thereto, however disseminated or published, to the end that misrepresentation of the merchandise or deception of the purchasing or consuming public may be avoided and prevented; and it is an unfair trade practice (1) to fail or refuse to make such full and nondeceptive disclosure through the means stated and in conformity with the requirements of this rule; or (2) otherwise to deceptively conceal the presence of such metallic weighting or the percentage or proportion thereof.

(b) The percentage or proportion of such metallic weighting to be disclosed under this rule shall be that proportion or percentage which the total weight of such metallic substance bears to the total weight of the silk in its finished state; subject, however, to the allowance of a tolerance of five points' variation from such stated percentage or proportion to the extent the variation is due to unavoidable variations in processing and not to lack of reasonable effort to state the percentage or proportion accurately. The following are illustrative examples of the disclosure provided for in this rule:

"Silk, Weighted 25%"
or
"Silk with 25% Metallic Weighting"
or
"Silk (weighted 25%) and Rayon".

(c) Nothing in this rule, however, shall be construed as prohibiting the making of such disclosure as to weighting and the percentage thereof by truthfully and nondeceptively disclosing that the weight-

ing is not over a certain percentage, or that the weighting in such parts of the product as consist of weighted silk ranges from a certain minimum to a certain maximum figure, such as, for example:

"Silk, Weighted up to 50%"

"Silk, Weighted not over 50%"

"Silk, Weighted between 25% and 50%"

"Silk with 25% to 50% Weighting"

"Silk, Weighted from 25% to 50%".

(d) In making disclosure under these rules as to weighting, the disclosure of the fact that the product, or respective part thereof, is weighted and of the percentage or proportion of weighting, shall be made plainly and unequivocally, also in immediate conjunction with such representations of content as are used, and shall not be set forth in such manner as to be misleadingly or deceptively minimized, obscured, remotely placed or rendered inconspicuous.

(e) In case any such product so weighted with metallic substance is silk noil, the fact that such is noil shall also be disclosed in accordance with the requirements of Rule 2 and in addition to said disclosure as to weighting materials—such as, for example:

"Silk Noil, Weighted 25%"

"Noil Silk with 25% Weighting".

RULE 5. *Special finishing materials, excess finishing materials, loading or adulterating materials.*—(a) This rule applies to nonfibrous material other than metallic weighting provided for in Rule 4 and other than the necessary dyeing and/or finishing materials referred to in Rule 3.

(b) The presence of such nonfibrous materials which have been added to any fiber, yarn, thread, strands or fabric shall be truthfully and nondeceptively disclosed in accordance with the following requirements of this rule to the end that misunderstanding, confusion and deception of the purchasing or consuming public may be avoided and prevented.

(c) In the case where such nonfibrous material has been added to the product as special finishing materials, the product shall be designated and described in such manner as will clearly and nondeceptively disclose to the purchasing and consuming public that such added finishing materials are present in the product. The term "special finishing materials" as used in this rule means such finishing materials as are added to the product for the purpose and with the effect of thereby imparting certain useful properties to the product, such as water-repellant qualities, etc.

(d) In cases of fiber, yarn, thread, strands or fabric where nonfibrous materials have been added to or are present in the product as excess dyeing or finishing materials, loading or adulterating materials, full, clear and nondeceptive disclosure of the presence of such excess dyeing or finishing materials, or loading or adulterating materials, and of the maximum percentage or proportion in which such materials are present, shall be made in tags, labels or brands attached to the product, in the invoices and in whatever advertising or trade promotional descriptions or representations may be used in respect to the product, however disseminated or published.

(e) It is an unfair trade practice to fail or refuse to make such disclosure provided for in this rule, such failure or refusal having the capacity and tendency or effect of misleading or deceiving the purchasing or consuming public; and it is an unfair trade practice to omit or fail to take such other steps as may be necessary to avoid the sale or distribution of such products in the channels of trade or to the purchasing or consuming public under false, misleading or deceptive representations or conditions.

RULE 6. *Terms "Silk", "Wool", "Linen", "Flax", "Cotton", etc.*—It is an unfair trade practice to use, or cause to be used, as descriptive of any textile merchandise, the word "silk", or word, term or representation of similar import, either alone or in conjunction with the words "wool", "linen", "flax", "cotton", "rayon" or other term or representation, such as, for example, "Silk Rayon", "Rayon Silk", "Silk Linen", "Linen Silk", etc., so as to import or imply that the product is silk or contains silk or has the properties of silk, when such is not the fact. However, nothing in this rule shall prohibit the use of the words "silk", "rayon", "wool", "linen", "flax", or "cotton", in any truthful and nondeceptive designation or representation made in conformity with the requirements of Rule 7 as to disclosure of mixed goods.

RULE 7. *Mixed goods.*—In the case of any yarn, thread, strands, fabric, or garment or other product made therefrom, containing a mixture of any kind of silk and other fiber or fibers, full and nondeceptive disclosure of the fiber content of such merchandise should be made in accordance with the hereinafter stated provisions of this rule, to the end that the purchasing and consuming public may be informed as to the contents of such merchandise and that deceptive concealment, misunderstanding, misrepresentation and unfair practices in the marketing of such merchandise in the channels of trade and to the public may be avoided and prevented. And it is an unfair trade practice to conceal the presence of any fiber constituent of such merchandise, or to fail or refuse to make said disclosure of fiber constituents, having the capacity, tendency or effect of misleading or deceiving the purchasing or consuming public. Such disclosure of the fiber content of said products, pursuant to this rule, shall be made by accurately designating and naming each constituent fiber thereof in the order of its predominance by weight, beginning with the largest single constituent, such as, for example, "Silk, Rayon and Wool", for yarn, thread, strands or fabric composed of silk, rayon and wool and containing silk in larger proportion than either rayon or wool and containing rayon in greater proportion than wool; subject to the following:

(I) Said disclosure shall be made in labels, brands or tags attached to the merchandise and in such advertising and sales promotional descriptions or representations of the product as may be used, however disseminated or published. Said disclosure shall also be made in such other documents, passing from seller to purchaser, as may be necessary to fully inform purchasers of the fiber content of the merchandise and to avoid and prevent the sale or resale of the merchandise under deceptive or misleading conditions.

(II) In setting forth a disclosure of the names of the fiber contained in any such mixed product of two or more fibers, the respective name of any such fiber shall not be set forth in type or manner so disproportionately enlarged, emphasized or conspicuously placed as thereby to have the capacity, tendency or effect of misleading or deceiving the purchasing or consuming public into the belief that a greater proportion of such over-emphasized fiber is present than is in fact true; such as, for example, in printing or otherwise setting forth said illustrative disclosure of "Silk, Rayon and Wool", the word "silk" or the word "wool" shall not be disproportionately enlarged or otherwise emphasized in such manner as to have the capacity, tendency or effect of misleading or deceiving the purchasing or consuming public in respect to the proportion or effective character of the silk or the wool in such mixed product.

(III) In case the product contains silk noil, weighted silk, special or excess finishing materials or loading or adulterating materials, the disclosure thereof shall be made in conformity with the applicable provisions of the other Group I rules, namely, Rule 2 respecting silk noil, Rule 4 respecting weighted silk, Rule 5 respecting special or excess finishing materials, loading or adulterating materials.

(IV) Where the fiber or fibers comprising at least 95% of the mixed product are disclosed not only by name as required by the foregoing provisions of this rule, but also with the percentage of each in the order of predominance by weight as recommended in Rule A, Group II, then the remaining 5% or less of the fiber content of such product may be designated and disclosed as "Other Fibers" or "Miscellaneous Fibers", *provided* such 5% proportion or less of one definitely known to be composed of one fiber or readily ascertainable as consisting of but one fiber, but on the contrary is composed of fibers which may be of various kinds, the percentages or quantities of each of which are not definitely known or readily ascertainable; *and provided further*, that such fiber content designated or disclosed as "Other Fibers" or "Miscellaneous Fibers" is not otherwise misrepresented. Illustrative examples of the disclosure provided for under this rule are as follows: "50% Silk, 46% Rayon, 4% Other

Fibers" or "55% Silk, 40% Wool, 5% Miscellaneous Fibers" for products composed of the respective stated percentages of silk, rayon and wool and composed in the remainder of fibers the proportion or percentage of each of which is not definitely known or readily ascertainable, including such small additional amounts of silk or rayon as may be present due to unavoidable variations in manufacturing processes.

(V) In making disclosure of fiber content under these rules by choosing to specifically name any particular fiber in any such mixed product which is present in the proportion of 5% or less by weight of the entire content, the name of the fiber shall be accompanied in immediate conjunction therewith by accurate and nondeceptive disclosure of the percentage or proportion in which said specifically named fiber is present, such as, for example, "2% Silk", or "2% Wool", to the end that the purchasing or consuming public may not be misled or deceived into the erroneous belief that said fiber is present in a greater or lesser proportion than is in fact true. Nothing in this rule shall be construed as permitting the concealment of the percentage in which any fiber is present above 5% where conditions or circumstances misleading or deceptive to the purchasing or consuming public may be produced by reason of such concealment.

(VI) In setting forth any item, name, statement, percentage or other information required to be disclosed under this or any other rule hereof, the same shall be set forth clearly and unequivocally and not in type or manner so disproportionate, or so minimized, obscured or remotely or inconspicuously placed as to be misleading or deceptive to the purchasing or consuming public.

RULE 8. *Passing off merchandise as and for silk.*—(a) It is an unfair trade practice to offer for sale, sell, distribute, describe, brand, label, advertise or otherwise represent, directly or indirectly, any fiber, yarn, thread, strands, fabric, or garment or other product made therefrom, as being silk or as containing silk of any kind or as having any of the properties of silk when such is not the fact.

(b) In the case of fiber, yarn, thread, strands, fabric, or garment or other product, not containing silk of any kind but which has been manufactured or processed in such manner as to simulate silk or which purports to contain silk in whole or in part, the failure or refusal to make full and nondeceptive disclosure of the fiber content of such merchandise, in conformity with law and applicable rules and regulations thereunder, and so as to avoid and prevent deceptive concealment, confusion, misunderstanding and misrepresentation, is an unfair trade practice.

RULE 9. *Deteriorated or damaged merchandise.*—In any case of merchandise, composed wholly or in part of silk, the character, quality or value of which has become impaired through age, deterioration or damage, it is an unfair trade practice in the sale or distribution of such merchandise to conceal such impairment for the purpose or with the capacity and tendency or effect of misleading or deceiving the purchasing or consuming public in respect to the character, quality, value or condition of such merchandise.

RULE 10. *Encouraging or promoting misleading merchandising methods.*—It is an unfair trade practice for any person, partnership or corporation to induce, aid or abet an importer, converter, manufacturer, distributor, dealer or other person to cause any fiber, yarn, thread, strands, fabric, or garment or other product, containing or purporting to contain silk in whole or in part, to be advertised, represented, offered for sale, sold or distributed through any means or devices or under any conditions which have the capacity and tendency or effect of causing, promoting or aiding the marketing of any such merchandise in the channels of trade or to the consuming public under false, misleading or deceptive circumstances or representations.

RULE 11. *Word "Silk" as part of trade or corporate name.*—(a) It is an unfair trade practice for any person, partnership or corporation to use the word "silk", or word, term or representation of similar import, as part of a trade or corporate name indicative of a silk business or silk products unless at least a substantial part of such business is devoted to silk or silk products and, as to any merchandise of said business which is not composed wholly of silk, full and nondeceptive disclosure is made, in immediate conjunction with such trade or corporate name, of the fact that such merchandise is not silk but is composed of or contains other named fibers.

(b) It is an unfair trade practice (1) to use the word "silk", or word, term or representation of similar import, in any trade-mark indicative of silk, when the merchandise which bears such mark, or which is advertised, offered for sale, sold or distributed thereunder, is not in fact composed of silk; or (2) to use said trade-mark in any other manner, or under any other condition, which is misleading or deceptive.

RULE 12. *Misrepresentations as to being a manufacturer, producer or importer.*—(a) It is an unfair trade practice for any person, partnership or corporation, by trade or corporate name or otherwise, to hold himself or itself out as being a manufacturer or producer of silk or silk products when such is not true in fact.

(b) It is an unfair trade practice for any person, partnership or corporation in the conduct of business to represent himself or itself, directly or indirectly, as having or operating a silk business in whole or in part, or a silk department or branch, or as being an importer of silk, when such is not true in fact; or in any other manner to misrepresent the character, nature or status of the business of such person, partnership or corporation.

RULE 13. *Inducing or abetting violation of rules.*—(a) It is an unfair trade practice for any importer, manufacturer, producer or organization to aid, abet, induce or coerce a dealer, distributor or other vendor to omit or refuse to make the disclosure as to content of merchandise required by the foregoing Group I rules, or to otherwise engage in any of the unfair trade practices specified in such rules.

(b) It is an unfair trade practice for any dealer or other vendor or organization to induce, aid, abet or coerce an importer, manufacturer, producer or other seller to omit or refuse to comply with the requirements of the foregoing Group I rules, or to otherwise engage in any unfair trade practice specified in such rules.

Group II

Compliance with the trade practice provisions embraced in these Group II rules is considered to be conducive to sound business methods and is to be encouraged and promoted individually or through voluntary cooperation exercised in accordance with existing law. Nonobservance of such rules does not, *per se*, constitute violation of law. Where, however, the practice of not complying with any such Group II rules is followed in such manner as to result in unfair methods of competition contrary to law, corrective proceedings may be instituted by the Commission as in the case of a violation of Group I rules.

RULE A. *Disclosure of proportions of constituent fibers in mixed goods.*—The practice of making full and accurate disclosure of the proportions or percentages of the constituent fibers in mixed goods is approved as a proper practice to the end that salespersons, dealers and other marketers of such products may have accurate information of the fiber content thereof and may in turn correctly inform the purchasing and consuming public, thereby avoiding confusion, misunderstanding or misrepresentation as to the nature or content of such products. Any action taken in following this rule should be consonant with the requirements of the foregoing Group I rules. In the case where all fibers present are listed and disclosed by name together with the percentage in which each is present, a tolerance of not to exceed 3% variation from the stated percentages may be allowed to the extent that such variation is due to unavoidable variations in manufacturing processes and not to lack of reasonable effort to state such percentages accurately.

RULE B. *Terms descriptive of silk fabrics or relating to weavers of textures.*—Subject to and in conformity with the requirements of the foregoing Group I rules, the practice of truthfully qualifying by the word "silk" all words, terms, phrases or representations which mean silk or are associated in the minds of the purchasing or consuming public with fabrics composed of silk is recommended

as a desirable practice. For example: "silk chiffon", "silk crepe", "silk satin", "silk taffeta", etc.

RULE C. *Information as to treatment and care of product.*—The practice, by producers, manufacturers and distributors, of furnishing and disseminating, through tags, labels, advertisements or other publicity, accurate information as to the proper treatment, care and cleaning of the products covered by these rules, is approved and recommended as a desirable practice to follow in the interest of enabling consumers to obtain and enjoy full benefit of the desirable qualities and services of such products.

Promulgated and issued by the Federal Trade Commission as of November 4, 1938.

[SEAL] OTIS B. JOHNSON,
Secretary.

[F. R. Doc. 38-3313; Filed, November 3, 1938; 10:31 a. m.]

TITLE 26—INTERNAL REVENUE

BUREAU OF INTERNAL REVENUE

[T. D. 4870]

BOTTLING OF DISTILLED SPIRITS IN BOND

AMENDING REGULATIONS NO. 6

To District Supervisors and Others Concerned:

Section 23, of Regulations No. 6, Bottling of Distilled Spirits in Bond, approved June 3, 1938,[1] is hereby amended to read as follows:

SEC. 23. *Caution notice.*—Every person bottling distilled spirits in bond except for export shall attach to each bottle filed by him a caution notice reading as follows:

This bottle has been filled and stamped under the provisions of the Act of Congress entitled "An Act to allow the bottling of distilled spirits in bond," approved March 3, 1897, as amended. Any person who shall reuse the stamp affixed to this bottle, or remove the contents of this bottle without so destroying the stamp affixed thereto as to prevent reuse, or who shall sell this bottle, or reuse it for distilled spirits, will be liable to the penalties prescribed by law.

When spirits are bottled for export the bottler may attach the caution notice if he so desires.

This notice shall be of convenient size for attachment to the bottle, shall be printed in plain, legible, black characters, with a black border, and shall be securely attached to the bottle. The type used in printing caution labels shall not be less than six point when used on bottles of one pint or more.

[SEAL] GUY T. HELVERING,
Commissioner of Internal Revenue.

Approved, November 1, 1938.

JOHN W. HANES,
Acting Secretary of the Treasury

[F. R. Doc. 38-3319; Filed, November 3, 1938; 12:17 p.m.]

[1] 3 F. R. 1351 DI.

TITLE 29—LABOR

CHILDREN'S BUREAU

[Regulation No. 6]

CHILD LABOR

PART 402. ACCEPTANCE OF STATE CERTIFICATES

NOVEMBER 3, 1938.

SEC. 402.3 *Designation of States.*—Pursuant to the provisions of section 401.5 (section 5 of Child Labor Regulation No. 1, entitled "Certificates of Age" issued October 14, 1938 *) I do hereby designate the following States as States in which State age, employment, or working certificates or permits shall have the same force and effect as Federal certificates of age under the Fair Labor Standards Act of 1938:

Kansas and Nevada

This designation shall be effective from and after the date hereof until the expiration of the period of six months from and after October 24, 1938.

KATHARINE F. LENROOT,
Chief.

[F. R. Doc. 38-3327; Filed, November 3, 1938; 12:52 p. m.]

[Regulation No. 3-A]

CHILD LABOR REGULATIONS

AMENDMENT TO TEMPORARY REGULATION FOR EMPLOYMENT OF MINORS BETWEEN 14 AND 16 YEARS OF AGE

NOVEMBER 3, 1938.

AUTHORITY FOR REGULATION

Sec. 3 (1) of the Act

"*****The Chief of the Children's Bureau shall provide by regulation or by order that the employment of employees between the ages of fourteen and sixteen years in occupations other than manufacturing and mining shall not be deemed to constitute oppressive child labor if and to the extent that the Chief of the Children's Bureau determines that such employment is confined to periods which will not interfere with their schooling and to conditions which will not interfere with their health and well-being."

Representations having been made to me that the limitation of the employment of minors between 14 and 16 years of age to the hours between 6 a. m. and 7 p. m. in any one day as provided for in section 2 (d) of Child Labor Regulation No. 3, entitled "Temporary Regulation for Employment of Minors Between 14 and 16 Years of Age" issued October 21, 1938,[1] will give rise in certain occupations to problems which will require time for adjustment, and in order to provide opportunity for assembling more complete information concerning the problems involved in such hour limitation and the extent to which the employment of minors of the ages specified before 6 a. m. and after 7 p. m. may interfere with hours of sleep and other conditions conducive to their health, school-progress, and general well-being, therefore I do hereby determine that section 2 (d) of the said regulation No. 3, which is effective for a period of 90 days from the date of its issuance, shall be of no force and effect as provided in the following regulation issued by virtue of and pursuant to the authority conferred by section 3 (1) of the Fair Labor Standards Act of 1938 (52 Stat. 1060).

REGULATION

Section 2 (d) of Child Labor Regulation No. 3 issued October 21, 1938 by virtue of and pursuant to the authority conferred by section 3 (1) of the Fair Labor Standards Act of 1938 (52 Stat. 1060) shall be of no force and effect until a public hearing can be held and further determination can be made and regulation issued upon the basis thereof.

KATHARINE F. LENROOT,
Chief.

[F. R. Doc. 38-3326; Filed, November 3, 1938; 12:52 p. m.]

* Issued pursuant to the authority conferred by sections 3 (1) and 11 (b) of the Fair Labor Standards Act of 1938 (52 Stat. 1060); 3 F. R. 2487 DI.

[1] 3 F. R. 2532 DI.

Notices

DEPARTMENT OF LABOR.

Division of Public Contracts.

IN THE MATTER OF THE DETERMINATION OF THE PREVAILING MINIMUM WAGES IN THE METAL FURNITURE MANUFACTURING INDUSTRY

NOTICE OF HEARING

The Public Contracts Board will hold a hearing in Room 3229, Department of Labor Building, Washington, D. C., at 10 a. m., Thursday, November 17, 1938, to take testimony upon which findings of fact will be made to assist the Secretary of Labor in determining, pursuant to Section 1 (b) of the Public Contracts Act (49 Stat. 2036; 41 U. S. C. Sup. III 35) the prevailing minimum wages in the Metal Furniture Manufacturing Industry. The Metal Furniture Manufacturing Industry shall be understood to be that industry which manufactures metal office and household furniture and metal hospital furniture. Metal office furniture shall include the following:

Metal office furniture.—Vertical filing cabinets; horizontal sections and half-sections, and bookcases; Hi-line and book-shelf units; card index cases; transfer units; desks; tables; chairs; storage cabinets and wardrobes.

Steel shelving.—Industrial and general-purpose steel shelving, miscellaneous fittings, attachments, and accessories.

Steel lockers.—Box lockers; single-tier lockers; double-tier lockers; two-person and compartment lockers; miscellaneous fittings as used in schools, clubs, gymnasiums, commercial, and industrial establishments.

Visible filing equipment.—Cabinets, panels, pockets, cards, and other inserts,

signalling and other devices for visible filing.

The enclosed survey of the Furniture Industries[1] consists of such excerpts from the forthcoming survey of the Bureau of Labor Statistics as are immediately pertinent to the requirements of the Public Contracts Board in arriving at prevailing wage recommendations for the industries. This survey will be introduced in evidence at the hearing.

At the hearing an opportunity to be heard, either in person or by duly appointed representatives, will be given to persons engaged in the above-named industry, either as employers or as employees, to groups of such persons, and to others within the discretion of the Board. Briefs or telegraphic communications may be filed but they should be received by the Board on or before the hearing date. Five copies of all briefs must be submitted. Employers appearing in person, or by representatives, or presenting briefs, should furnish the Board with the following essential data:

(1) Name of firm.
(2) Plant address.
(3) Total number of employees in plant.
(4) Number of male employees.
(5) Number of female employees.
(6) Classification of employees by occupations, including number engaged in each operation.
(7) Hourly wages in each operation with designation of applicable time period.
(8) If paid on piece work basis, weekly earnings in each class of employees.
(9) Hours worked per week.

This outline of suggested data is not meant to exclude the submission of any other pertinent information which an employer may desire to submit.

Employees appearing at the hearing, either in person or by their representatives, or submitting briefs, should acquaint the Board with facts as to the wages now being paid in the industry.

Dated October 31, 1938.

[SEAL] L. METCALF WALLING,
Administrator.

[F. R. Doc. 38-3314; Filed, November 3, 1938; 11:47 a. m.]

IN THE MATTER OF THE DETERMINATION OF THE PREVAILING MINIMUM WAGES IN THE PUBLIC SEATING INDUSTRY

NOTICE OF HEARING

The Public Contracts Board will hold a hearing in Room 3229, Department of Labor Building, Washington, D. C., at 10 a. m., Wednesday, November 16, 1938, to take testimony upon which findings of fact will be made to assist the Secretary of Labor in determining, pursuant to Section 1 (b) of the Public Contracts Act (49 Stat. 2036; 41 U. S. C. Sup. III 35), the prevailing minimum wages in the Public Seating Industry. The term "Public Seating Industry" shall be understood to be that industry which fabricates, assembles, and installs (by those who fabricate or assemble) Public Seating (upholstered or non-upholstered), fabricated or assembled of wood, plywood, iron, steel, non-ferrous metals, or any combinations of these materials, and consisting of the following:

(a) Fixed or connected seating for such public places as theatres, auditoriums, lodges, assembly halls, shoe stores, rinks, ball parks, race tracks, stadia, and other similar buildings, and structures;
(b) Pewing, chancel, choir stalls, and related furniture and accessories for ecclesiastical purposes, seats and benches for court houses, hospitals, public waiting rooms, and for other similar public purposes;
(c) Pupils' desks, pupils' tables, pupils' chairs, and school furniture for all educational purposes;
(d) Portable chairs with folding seats in both single and multiple units;
(e) Portable folding seating in single units for other than household use.

The enclosed survey of the Furniture Industries[1] consists of such excerpts from the forthcoming survey of the Bureau of Labor Statistics as are immediately pertinent to the requirements of the Public Contracts Board in arriving at prevailing wage recommendations for the industries. This survey will be introduced in evidence at the hearing.

At the hearing an opportunity to be heard, either in person or by duly appointed representatives, will be given to persons engaged in the above-named industry, either as employers or as employees, to groups of such persons, and to others within the discretion of the Board. Briefs or telegraphic communications may be filed but they should be received by the Board on or before the hearing date. Five copies of all briefs must be submitted. Employers appearing in person, or by representatives, or presenting briefs, should furnish the Board with the following essential data:

(1) Name of firm.
(2) Plant address.
(3) Total number of employees in plant.
(4) Number of male employees.
(5) Number of female employees.
(6) Classification of employees by occupations, including number engaged in each operation.
(7) Hourly wages in each operation with designation of applicable time period.
(8) If paid on piece work basis, weekly earnings in each class of employees.
(9) Hours worked per week.

This outline of suggested data is not meant to exclude the submission of any other pertinent information which an employer may desire to submit.

Employees appearing at the hearing, either in person or by their representatives, or submitting briefs, should acquaint the Board with facts as to the wages now being paid in the industry.

Dated October 31, 1938.

[SEAL] L. METCALFE WALLING,
Administrator.

[F. R. Doc. 38-3315; Filed, November 3, 1938; 11:48 a. m.]

IN THE MATTER OF THE DETERMINATION OF THE PREVAILING MINIMUM WAGES IN THE WOOD FURNITURE MANUFACTURING INDUSTRY

NOTICE OF HEARING

The Public Contracts Board will hold a hearing in Room 3229, Department of Labor Building, Washington, D. C., at 10 a. m., Tuesday, November 15, 1938, to take testimony upon which findings of fact will be made to assist the Secretary of Labor in determining, pursuant to Section 1 (b) of the Public Contracts Act (49 Stat. 2036; 41 U. S. C. Sup. III 35), the prevailing minimum wages in the Wood Furniture Manufacturing Industry. The Wood Furniture Manufacturing Industry shall be understood to be that industry which manufactures wood upholstered furniture, exclusive of studio couches; wood kitchen furniture; wood office chairs, wood office desks, and wood office tables; parlor frames, chairs in the white, furniture parts of wood, and other unfinished household furniture. The term "furniture parts of wood" as used herein means wood parts for furniture where the process of manufacture has advanced so far that the product can be used only in the production of furniture, but not including hardwood dimension stock, nor plywood.

The enclosed survey of the Furniture Industries[1] consists of such excerpts from the forthcoming survey of the Bureau of Labor Statistics as are immediately pertinent to the requirements of the Public Contracts Board in arriving at prevailing wage recommendations for the industries. This survey will be introduced in evidence at the hearing.

At the hearing an opportunity to be heard, either in person or by duly appointed representatives, will be given to persons engaged in the above-named industry, either as employers or as employees, to groups of such persons, and to others within the discretion of the Board. Briefs or telegraphic communications may be filed but they should be received by the Board on or before the hearing date. Five copies of all briefs must be submitted. Employers appearing in person, or by representatives, or presenting briefs, should furnish the Board with the following essential data:

(1) Name of firm.
(2) Plant address.
(3) Total number of employees in plant.
(4) Number of male employees.

[1] "Average Hourly Earnings in the Furniture Manufacturing Industry, October, 1937," filed as a part of the original document with the Division of the Federal Register, The National Archives.

(5) Number of female employees.

(6) Classification of employees by occupations, including number engaged in each operation.

(7) Hourly wages in each operation with designation of applicable time period.

(8) If paid on piece work basis, weekly earnings in each class of employees.

(9) Hours worked per week.

This outline of suggested data is not meant to exclude the submission of any other pertinent information which an employer may desire to submit.

Employees appearing at the hearing, either in person or by their representatives, or submitting briefs, should acquaint the Board with facts as to the wages now being paid in the industry.

Dated October 31, 1938.

[SEAL] L. METCALFE WALLING,
Administrator.

[F. R. Doc. 38-3316; Filed, November 3, 1938; 11:48 a. m.]

CIVIL AERONAUTICS AUTHORITY.

[Docket No. 26-401(E)-1]

INLAND AIR LINES, INC., APPLICATION UNDER SECTION 401 (E) FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY FOR THE TRANSPORTATION BY AIR OF MAIL, PASSENGERS AND PROPERTY BETWEEN GREAT FALLS, MONTANA, AND CHEYENNE, WYOMING, VIA LEWISTOWN, AND BILLINGS, MONTANA, AND SHERIDAN AND CASPER, WYOMING; AND BETWEEN HURON, SOUTH DAKOTA, AND CHEYENNE, WYOMING, VIA PIERRE, BLACK HILLS AIRPORT (SERVING LEAD, DEADWOOD, SPEARFISH) AND RAPID CITY, SOUTH DAKOTA

NOVEMBER 2, 1938.

The above entitled proceeding is assigned for public hearing on November 12, 1938, 10 o'clock a. m. (standard time), at the office of the Civil Aeronautics Authority (Hearing Room No. 2062), Washington, D. C., before Examiner Lucian Jordan.

By the Authority.

[SEAL] PAUL J. FRIZZELL,
Secretary.

[F. R. Doc. 38-3312; Filed, November 3, 1938; 9:58 a. m.]

FEDERAL TRADE COMMISSION.

United States of America—Before Federal Trade Commission

At a regular session of the Federal Trade Commission, held at its office in the City of Washington, D. C., on the 1st day of November, A. D. 1938.

Commissioners: Garland S. Ferguson, Chairman, Charles H. March, Ewin L. Davis, William A. Ayres, Robert E. Freer.

[Docket No. 2087]

IN THE MATTER OF CHARLES H. BACON COMPANY, INC., AND THE SCOTT-BARTELS COMPANY, INC.

ORDER APPOINTING EXAMINER AND FIXING TIME AND PLACE FOR TAKING TESTIMONY

This matter being at issue and ready for the taking of testimony, and pursuant to authority vested in the Federal Trade Commission, under an Act of Congress (38 Stat. 717; 15 U. S. C. A., Section 41),

It is ordered, That Robert S. Hall, an examiner of this Commission, be and he hereby is designated and appointed to take testimony and receive evidence in this proceeding and to perform all other duties authorized by law;

It is further ordered, That the taking of testimony in this proceeding begin on Tuesday, November 8, 1938, at ten o'clock in the forenoon of that day (eastern standard time) in Room 332, Federal Trade Commission Building, Washington, D. C.

Upon completion of testimony for the Federal Trade Commission, the examiner is directed to proceed immediately to take testimony and evidence on behalf of the respondent. The examiner will then close the case and make his report upon the evidence.

By the Commission:

[SEAL] OTIS B. JOHNSON,
Secretary.

[F. R. Doc. 38-3306; Filed, November 3, 1938; 9:32 a. m.]

United States of America—Before Federal Trade Commission

At a regular session of the Federal Trade Commission, held at its office in the City of Washington, D. C., on the 1st day of November, A. D. 1938.

Commissioners: Garland S. Ferguson, Chairman; Charles H. March, Ewin L. Davis, William A. Ayers, Robert E. Freer.

[Docket No. 3589]

IN THE MATTER OF ISADORE H. LUKACHER, TRADING AS CASA BLANCA CIGAR COMPANY AND AS BELVEDERE TOBACCO COMPANY, AND BERT LUKACHER, AN INDIVIDUAL

ORDER APPOINTING EXAMINER AND FIXING TIME AND PLACE FOR TAKING TESTIMONY

This matter being at issue and ready for the taking of testimony, and pursuant to authority vested in the Federal Trade Commission, under an Act of Congress (38 Stat. 717; 15 U. S. C. A., Section 41),

It is ordered, That Robert S. Hall, an examiner of this Commission, be and he hereby is designated and appointed to take testimony and receive evidence in this proceeding and to perform all other duties authorized by law;

It is further ordered, That the taking of testimony in this proceeding begin on Thursday, November 10, 1938, at ten o'clock in the forenoon of that day (eastern standard time) in Room 332, Federal Trade Commission Building, Washington, D. C.

Upon completion of testimony for the Federal Trade Commission, the examiner is directed to proceed immediately to take testimony and evidence on behalf of the respondent. The examiner will then close the case and make his report upon the evidence.

By the Commission.

[SEAL] OTIS B. JOHNSON,
Secretary.

[F. R. Doc. 38-3307; Filed, November 3, 1938; 9:32 a. m.]

INTERSTATE COMMERCE COMMISSION.

[Ex Parte No. MC-3]

NOTICE IN THE MATTER OF ESTABLISHING REASONABLE REQUIREMENTS TO PROMOTE SAFETY OF OPERATION OF MOTOR VEHICLES USED IN TRANSPORTING PROPERTY BY PRIVATE CARRIERS

OCTOBER 31, 1938.

To Private Carriers of Property by Motor Vehicle:

For the purpose of aiding in the presentation of evidence at the hearings in the above proceeding, your attention is directed to the order of the Commission dated December 23, 1936,[1] prescribing Safety Regulations for common and contract carriers by motor vehicles, and the order of the Commission dated July 12, 1938,[2] prescribing maximum hours of service for employees of common and contract carriers by motor vehicle.

In addition to submitting testimony on the need for Federal regulation of private carriers of property, it will be helpful to have evidence submitted as to what changes, if any, should be made in the safety regulations prescribed for common and contract carriers in order to make them applicable to private carriers of property.

Printed copies of these regulations may be obtained from the Superintendent of Documents, Government Printing Office, Washington, D. C., as follows: Motor Carrier Safety Regulations, 10 cents per copy; Motor Carrier Hours of Service Regulations, 5 cents per copy.

[SEAL] W. P. BARTEL,
Secretary.

[F. R. Doc. 38-3318; Filed, November 3, 1938; 12:06 p.m.]

[1] 2 F. R. 113, 144 DI.
[2] 3 F. R. 1875 DI.

[Ex Parte No. MC-3]

ORDER IN THE MATTER OF ESTABLISHING REASONABLE REQUIREMENTS TO PROMOTE SAFETY OF OPERATION OF MOTOR VEHICLES USED IN TRANSPORTING PROPERTY BY PRIVATE CARRIERS

At a session of the Interstate Commerce Commission, Division 5, held at its office in Washington, D. C., on the 31st day of October, A. D. 1938.

It appearing, That by order dated the 30th day of July, 1936,[1] the Commission instituted an investigation in the above subject matter, for the purpose of determining whether in the interest of, and to promote, safety, there is need for prescribing regulations governing the qualifications and maximum hours of service of employees of, and standards of equipment for, private carriers of property by motor vehicle, and good cause therefor appearing;

It is ordered, That the said order of the 30th day of July, 1936, be, and the same is hereby, amended to read as follows:

That a proceeding of inquiry and investigation be, and it is hereby instituted, to establish for private carriers of property by motor vehicle, engaged in interstate or foreign commerce, if need therefor is found, reasonable requirements with respect to qualifications and maximum hours of service of employees and safety of operation and equipment;

And it is further ordered, That this proceeding be, and it is hereby, assigned for hearing before Examiner R. W. Snow, at the following times and places:

January 9, 1939, 10 A. M. S. T., at the offices of the Interstate Commerce Commission, in Washington, D. C.

January 12, 1939, 10 A. M. S. T., at the Hotel New Yorker, New York, New York.

January 16, 1939, 10 A. M. S. T., at the Hotel Sherman, Chicago, Illinois.

January 19, 1939, 10 A. M. S .T., at the Hotel Nicollet, Minneapolis, Minnesota.

January 23, 1939, 10 A. M. S. T., at the U. S. Court House, Spokane, Washington.

January 25, 1939, 10 A. M. S. T., at the Hotel Multnomah, Portland, Oregon.

January 30, 1939, 10 A. M. S. T., at the offices of the California Railroad Commission, Los Angeles, California.

February 3, 1939, 10 A. M. S. T., at the Hotel Fontenelle, Omaha, Nebraska.

February 6, 1939, 10 A. M. S. T., at the Hotel Peabody, Memphis, Tennessee.

By the Commission, division 5.

[SEAL] W. P. BARTEL, *Secretary*.

[F. R. Doc. 38-3317; Filed, November 3, 1938; 12:06 p. m.]

[1] 1 F. R. 1016

SECURITIES AND EXCHANGE COMMISSION.

United States of America—Before the Securities and Exchange Commission

At a regular session of the Securities and Exchange Commission held at its office in the City of Washington, D. C., on the 28th day of October, A. D. 1938.

[Files Nos. 43-103 and 47-19]

IN THE MATTER OF REPUBLIC ELECTRIC POWER CORPORATION, SOUTHERN OREGON GAS CORPORATION, CALIFORNIA UTILITIES COMPANY, NEEDLES GAS AND ELECTRIC COMPANY, WEAVERVILLE ELECTRIC COMPANY, APACHE GAS COMPANY, AND GAS TRANSPORT COMPANY

CORRECTED SUPPLEMENTARY ORDER APPROVING PLAN AND PERMITTING DECLARATIONS AND APPLICATIONS TO BECOME EFFECTIVE

The Republic Electric Power Corporation of Delaware, a registered holding company, and its subsidiaries, with properties in California, Oregon, and Oklahoma, have jointly filed a declaration under Section 7 and applications under Sections 10, 11 (e) and 12 and amendments thereto, regarding the sale and issuance of securities and acquisition and sale of utility assets incident to a comprehensive plan of reorganization and recapitalization. As part of the Revised Plan, the applicants and declarants consent to an order providing for the ultimate disposition by Republic Electric Power Corporation of the properties of Apache Gas Company and Gas Transport Company and the dissolution of the Republic Mutual Service Company in conformity with Section 11 (b), and the simplification of the system's corporate structure.

A public hearing having been held[1] after appropriate notice; the applicants and declarants having waived a trial examiner's report, submission of proposed findings of fact to the Commission or requested findings of fact by counsel for the Commission, the filing of briefs with the Commission and all arguments before the Commission, prior to the entry of the Commission's findings, opinion, and order herein; and the Commission having considered the record in these matters; and having filed its findings and opinion and preliminary order herein:

It is ordered, That the Revised Plan filed under Section 11 (e) be, and hereby is, approved, as necessary or appropriate to effectuate the provisions of Section 11 (b), and such approval shall include each of the following steps to be taken under such plan:

(1) The transfer by Republic Electric Power Corporation of all its assets and securities and the Weaverville Ice Plant and securities and obligations of Needles Steam Laundry to the California Pacific Utilities Company (the operating company which will result from the merger of the constituent companies and hereinafter referred to as the Surviving Corporation);

(2) the cancellation by Republic Electric Power Corporation of so much of the note obligations of Needles Gas and Electric Company, California Utilities Company, and Weaverville Electric Company as exceeds $425,000;

(3) the merger of California Utilities Company, Needles Gas and Electric Company, and Weaverville Electric Company into Southern Oregon Gas Corporation;

(4) the assumption by the Surviving Corporation of all the assets and noncanceled liabilities of the constituent corporations;

(5) the issuance by the Surviving Corporation to Republic Electric Power Corporation of 4,250 shares 5% First Preferred, 6,690 shares 5% Second Preferred, and 6,450 shares Common;

(6) the execution by the Surviving Corporation of an open-end indenture of trust;

(7) the issuance by the Surviving Corporation of $475,000 First and Refunding Mortgage Bonds, $425,000 of which will be issued to Republic Electric Power Corporation and $50,000 of which will be issued to the Niagara Share Corporation, in cancellation, respectively, of the indebtedness of its constituent corporations;

(8) the issuance by Gas Transport Company and Apache Gas Company to Republic Electric Power Corporation of non-negotiable notes totaling $200,000;

(9) the issuance by Apache Gas Company to Republic Electric Power Corporation of a non-negotiable note covering the balance of its indebtedness to the Republic Electric Power Corporation and the transfer of this note by Republic Electric Power Corporation to the Surviving Corporation;

(10) the issuance by Republic Electric Power Corporation to Niagara Share Corporation of a $200,000 non-negotiable note, in cancellation of a like amount indebtedness, and to accompany this note with the pledge of the $200,000 nonnegotiable note issued to it by Gas Transport Company and Apache Gas Company and all the shares of Apache Gas Company and Gas Transport Company;

(11) the transfer by Republic Electric Power Corporation to Niagara Share Corporation of all the First and Refunding Mortgage Bonds and all the First and Second Preferred Stock which it received from the Surviving Corporation, in cancellation of $1,519,000 indebtedness to Niagara Share Corporation;

(12) the distribution by Republic Electric Power Corporation of the Common stock which it will receive from the Surviving Corporation to its own stockholders on a share-for-share basis;

(13) the disposition by Republic Electric Power Corporation to third persons,

[1] 3 F. R. 2263 DI.

other than the present management of Republic Electric Power Corporation, of its interests in Apache Gas Company and Gas Transport Company; and

(14) the dissolution, within one year from the effective date of this Order, of the Republic Electric Power Corporation and the Republic Mutual Service Company.

It is further ordered, That, in pursuance of Section 11 (b) and in accordance with the express consent of the Republic Electric Power Corporation that within one year of the date of this Order:

(1) Republic Electric Power Corporation distribute its common stock holdings of the Surviving Corporation to its stockholders; and

(2) Republic Electric Power Corporation dispose of its interests in the Apache Gas Company and Gas Transport Company to third persons, other than the present management of the Republic Electric Power Corporation.

And it is further ordered, That the declarations,

(1) by the Surviving Corporation regarding the issuance of First and Refunding Mortgage Bonds, common stock, and preferred stock;

(2) by Apache Gas Company regarding the issuance of non-negotiable notes;

(3) by Gas Transport Company regarding the issuance of a non-negotiable note; and

(4) by Republic Electric Power Corporation regarding the issuance of a non-negotiable note;

be and become effective forthwith subject to the terms and for the purposes represented thereby.

That the applications,

(1) by the Surviving Corporation regarding the acquisitions of interests in business and securities and of any of the above-described utility assets, the acquisition of which is subject to Section 9 (a) of the Act;

(2) by Republic Electric Power Corporation regarding the acquisition of securities; and

(3) for authorization under Rule U-12C-2 regarding the distribution by Republic Electric Power Corporation of the common stock which it will receive from the Surviving Corporation to its own stockholders on a share-for-share basis;

be and hereby are approved.

And it is further ordered, That the application by Republic Electric Power Corporation regarding the sale or other disposition of the securities and public utility assets be and the same is hereby approved, except that no authorization is given to Republic Electric Power Corporation to dispose of its interests in Apache Gas Company and Gas Transport Company by the sale of the securities of the latter companies, and if Republic Electric Power Corporation desires to make such a disposition of its interests the Commission reserves jurisdiction over such transaction. The authorization herein granted is subject to the condition that if the sale of Republic Electric Power Corporation's interests in the Apache Gas Company and Gas Transport Company takes the form of a sale of assets and properties, Republic Electric Power Corporation must give this Commission twenty days' notice, in writing, of its intention to sell and of the terms of such sale, and if within that twenty day period the Commission does not issue an order requiring Republic Electric Power Corporation to show cause why the terms and conditions of such sale, and the effect thereof, are not detrimental to the public interest or the interests of investors or consumers, and will not circumvent the provisions of the Act or any rules, regulations, or order of the Commission thereunder, then the sale may be consummated without further order.

By the Commission.

[SEAL] FRANCIS P. BRASSOR,
Secretary.

[F. R. Doc. 38-3325; Filed, November 3, 1938; 12:49 p. m.]

United States of America—Before the Securities and Exchange Commission

At a regular session of the Securities and Exchange Commission, held at its office in the City of Washington, D. C., on the 2nd day of November, A. D. 1938.

[File Nos. 34-8, 52-3, 52-5, 52-9, 52-10, 59-1]

IN THE MATTER OF UTILITIES POWER & LIGHT CORPORATION AND CHARLES TRUE ADAMS, TRUSTEE

ORDER DENYING PETITION

Harry Reid, Max McGraw and B. B. Robinson, representing themselves as the General Protective Committee for Security Holders of Utilities Power & Light Corporation, having on October 4, 1938, filed a petition to be heard in the above entitled proceedings; and

This Commission having heard[1] said Committee on its petition, having duly considered the matter and being fully informed in the premises;

It is ordered, That the petition of said Harry Reid, Max McGraw and B. B. Robinson, representing themselves as the General Protective Committee for Security Holders of Utilities Power & Light Corporation to be heard in the above entitled proceedings be and hereby is denied.

By the Commission.

[SEAL] FRANCIS P. BRASSOR,
Secretary.

[F. R. Doc. 38-3324; Filed, November 3, 1938; 12:48 p. m.]

[1] 3 F. R. 2540 DI.

United States of America—Before the Securities and Exchange Commission

At a regular session of the Securities and Exchange Commission, held at its office in the City of Washington, D. C. on the 2nd day of November 1938.

[File No. 1-2701]

IN THE MATTER OF APPLICATION BY THE BOARD OF TRADE OF THE CITY OF CHICAGO TO STRIKE FROM LISTING AND REGISTRATION THE 6% CUMULATIVE CONVERTIBLE PREFERRED STOCK, OF JOLIET HEATING CORPORATION

ORDER GRANTING APPLICATION TO STRIKE FROM LISTING AND REGISTRATION

The Board of Trade of the City of Chicago, pursuant to Section 12 (d) of the Securities Exchange Act of 1934, as amended, and Rule X-12D2-1 promulgated thereunder, having made application to strike from listing and registration the 6% Cumulative Convertible Preferred Stock, of Joliet Heating Corporation; and

After appropriate notice, a hearing having been held[1] in this matter; and

The Commission having considered said application together with the evidence introduced at said hearing, and having due regard for the public interest and the protection of investors;

It is ordered, That said application be and the same is hereby granted, effective at the close of the trading session on November 12, 1938.

By the Commission.

[SEAL] FRANCIS P. BRASSOR,
Secretary.

[F. R. Doc. 38-3323; Filed, November 3, 1938; 12:48 p. m.]

United States of America—Before the Securities and Exchange Commission

At a regular session of the Securities and Exchange Commission, held at its office in the City of Washington, D. C., on the 2d day of November, A. D. 1938.

[File No. 1-1203]

IN THE MATTER OF PITTSBURGH TERMINAL COAL CORPORATION PREFERRED STOCK (6% CUMULATIVE) $100 PAR VALUE; COMMON STOCK, $1 PAR VALUE

ORDER GRANTING APPLICATION FOR STRIKING SECURITIES FROM LISTING AND REGISTRATION

The New York Stock Exchange having made an application to the Commission pursuant to Section 12 (d) of the Securities Exchange Act of 1934 and Rule X-12D2-1 to strike from listing and registration on said Exchange the Preferred Stock (6% Cumulative), $100 Par Value, and Common Stock, $1 Par Value, of Pittsburgh Terminal Coal Corporation; and

[1] 3 F. R. 2126 DI.

The Commission having ordered a hearing with respect to said application, which hearing, after due notice, was held [1] on June 29, 1938; and

The Commission having considered the application, together with the evidence introduced at the hearing and the report of the trial examiner thereon, and having due regard for the public interest and the protection of investors, and having filed its findings and opinion herein;

It is ordered, That said application be and the same hereby is granted, effective at the close of the trading session on December 2, 1938.

By the Commission.

[SEAL] FRANCIS P. BRASSOR,
Secretary.

[F. R. Doc. 38-3322; Filed, November 3, 1938; 12:48 p. m.]

[1] 3 F. R. 1434 DI.

United States of America—Before the Securities and Exchange Commission

At a regular session of the Securities and Exchange Commission, held at its office in the City of Washington, D. C., on the 2d day of November, A. D. 1938.

[File No. 1-2211]

IN THE MATTER OF NORFOLK SOUTHERN RAILROAD COMPANY CAPITAL STOCK, $100 PAR VALUE

ORDER GRANTING APPLICATION FOR STRIKING SECURITIES FROM LISTING AND REGISTRATION

The New York Stock Exchange having made an application to the Commission pursuant to Section 12 (d) of the Securities Exchange Act of 1934 and Rule X-12D2-1 to strike from listing and registration on said Exchange the Capital Stock, $100 Par Value, of Norfolk Southern Railroad Company; and

The Commission having ordered a hearing with respect to said application, which hearing, after due notice, was held [1] on June 29, 1938; and

The Commission having considered the application, together with the evidence introduced at the hearing and the report of the trial examiner thereon, and having due regard for the public interest and the protection of investors, and having filed its findings and opinion herein;

It is ordered, That said application be and the same hereby is granted, effective at the close of the trading session on December 2, 1938.

By the Commission.

[SEAL] FRANCIS P. BRASSOR,
Secretary.

[F. R. Doc. 38-3321; Filed, November 3, 1938; 12:48 p. m.]

[1] 3 F. R. 1435 DI.